

**TRANSPORTATION, INFRASTRUCTURE,
AND CAPITALS APPROPRIATIONS
SUBCOMMITTEE**

JANUARY 2020

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Transportation, Infrastructure, and Capitals Subcommittee Members

Analysis of the Governor’s Budget Recommendations

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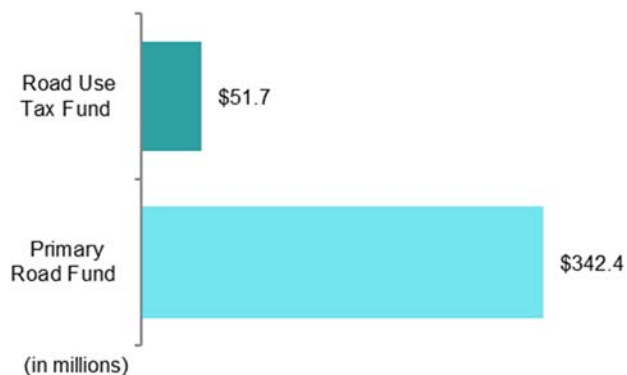
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DEPARTMENT OF TRANSPORTATION

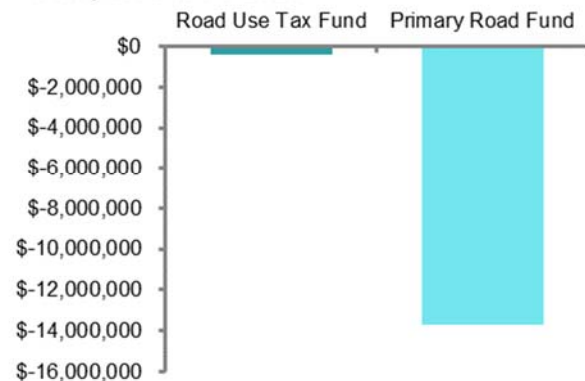
Overview and Funding History

Agency Overview: The mission of the [Department of Transportation](#) (DOT) is to serve the public by delivering a modern transportation system that supports the economic and social vitality of Iowa, increases safety, and maximizes customer satisfaction. The DOT consists of six operating divisions: Administrative Services; Planning, Programming, and Modal; Motor Vehicle; Information Technology; Strategic Performance; and Highway. Funding for the DOT comes from the State road funds, the Road Use Tax Fund (RUTF), and the Primary Road Fund (PRF). Five operating budget units receive appropriations to fund the divisions, including: Strategic Performance, Administrative Services, Planning and Programming, Motor Vehicle, and Highway. In addition to the operating budget units, the DOT receives special purpose and capitals appropriations that are separate from the operating division budget units but essential for the operation of the Department.

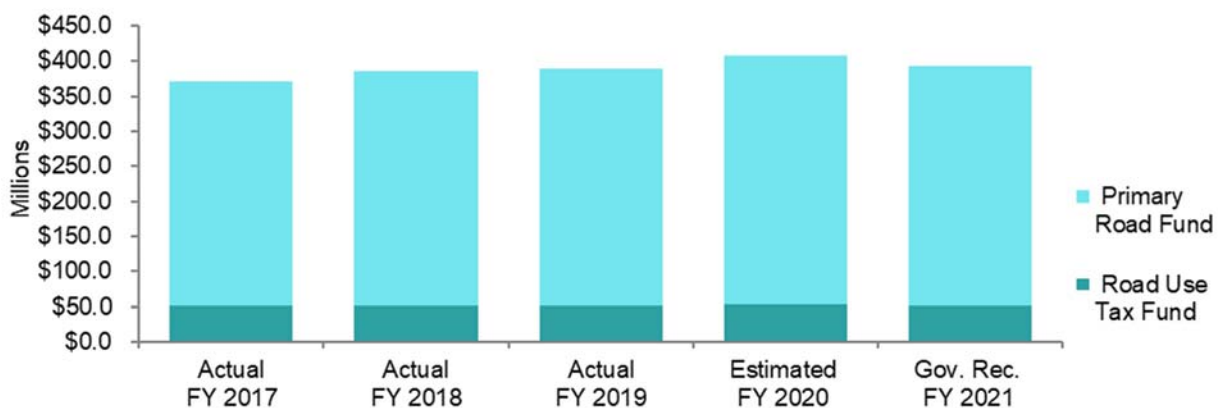
FY 2021 Governor's Recommendations Total: \$394,164,561



Governor's Recommendations Compared to FY 2020



Funding History



Other Fund Recommendations

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
Transportation, Department of				
Road Use Tax Fund				
RUTF - Driver Licenses	\$ 3,876,000	\$ 3,876,000	\$ 3,876,000	\$ 0
RUTF - Administrative Services	6,682,954	6,792,594	6,800,347	7,753
RUTF - Planning & Programming	447,822	450,327	450,327	0
RUTF - Motor Vehicle	25,962,748	26,552,992	26,552,992	0
RUTF - Strategic Performance	671,369	675,955	675,955	0
RUTF - Highway Division	10,233,174	10,319,346	10,319,346	0
RUTF - DAS Personnel & Utility Services	259,560	337,404	337,404	0
RUTF - Unemployment Compensation	7,000	7,000	7,000	0
RUTF - Workers' Compensation	175,748	158,809	170,209	11,400
RUTF - Indirect Cost Recoveries	90,000	90,000	90,000	0
RUTF - Auditor Reimbursement	87,318	89,740	92,120	2,380
RUTF - County Treasurers Support	1,406,000	1,406,000	1,406,000	0
RUTF - Mississippi River Park. Comm.	40,000	40,000	40,000	0
RUTF - TraCS/MACH	300,000	300,000	300,000	0
RUTF - Statewide Communication System	497,191	114,302	72,889	-41,413
RUTF - Personal Delivery of Services	225,000	225,000	225,000	0
RUTF - Dallas County Driver's License Facility	0	350,000	0	-350,000
RUTF - Scale/MVD Facilities Maint.	300,000	300,000	300,000	0
	<u>\$ 51,261,884</u>	<u>\$ 52,085,469</u>	<u>\$ 51,715,589</u>	<u>\$ -369,880</u>
Primary Road Fund				
PRF - Administrative Services	41,052,430	41,725,936	41,773,560	47,624
PRF - Planning & Programming	8,508,616	8,556,215	8,556,215	0
PRF - Highway Division	247,828,001	250,577,127	252,436,259	1,859,132
PRF - Motor Vehicle	1,081,781	1,272,705	1,272,705	0
PRF - Strategic Performance	4,124,123	4,152,292	4,152,292	0
PRF - DAS Personnel & Utility Services	1,594,440	2,007,247	2,007,247	0
PRF - DOT Unemployment	138,000	138,000	138,000	0
PRF - DOT Workers' Compensation	4,217,954	3,811,421	4,085,021	273,600
PRF - Garage Fuel & Waste Mgmt.	800,000	1,000,000	1,000,000	0
PRF - Indirect Cost Recoveries	660,000	660,000	660,000	0
PRF - Auditor Reimbursement	536,382	551,260	565,880	14,620
PRF - Transportation Maps	242,000	0	242,000	242,000
PRF - Inventory & Equip.	10,465,000	10,330,000	10,085,000	-245,000
PRF - Statewide Communication System	3,054,172	702,142	487,793	-214,349
PRF - Field Facility Deferred Maint.	1,700,000	1,700,000	1,700,000	0
PRF - Rest Area Facility Maintenance	250,000	250,000	250,000	0
PRF - Purchase of Salt	8,700,000	0	0	0
PRF - Utility Improvements	400,000	400,000	400,000	0
PRF - Garage Roofing Projects	500,000	500,000	500,000	0
PRF - HVAC Improvements	700,000	700,000	700,000	0
PRF - ADA Improvements	150,000	150,000	150,000	0
PRF - Waterloo Garage Renovations	1,790,000	0	0	0
PRF - Ames Administration Building	0	0	11,287,000	11,287,000
PRF - Sioux City Combined Facility	0	26,951,000	0	-26,951,000
	<u>\$ 338,492,899</u>	<u>\$ 356,135,345</u>	<u>\$ 342,448,972</u>	<u>\$ -13,686,373</u>
Total Transportation, Department of	<u>\$ 338,492,899</u>	<u>\$ 356,135,345</u>	<u>\$ 342,448,972</u>	<u>\$ -13,686,373</u>
Total Department of Transportation	<u>\$ 389,754,783</u>	<u>\$ 408,220,814</u>	<u>\$ 394,164,561</u>	<u>\$ -14,056,253</u>

Governor's Recommendations FY 2021 — Significant Changes

Several appropriations receive two separate line item appropriations: one from the RUTF and one from the PRF. These line items are detailed in the table on the prior page. The prior page also reflects decreases for one-time capital expenditures for the Sioux City Garage (\$26,951,000) and the Dallas County Driver's License Facility (\$350,000). The Governor's recommended increases for FY 2021 are below.

Highway Division \$1,859,132

Increased funding will be used to replace existing medium- and heavy-duty trucks and to fund 9.00 new full-time equivalent (FTE) positions. Starting in FY 2018, the DOT began transitioning to a 12-year replacement cycle from a 15-year cycle. The FTE positions will perform project development and field construction inspection.

Workers' Compensation \$285,000

This appropriation supports payments to the Department of Administrative Services (DAS) for workers' compensation payments with an increase of \$11,400 from the RUTF and \$273,600 from the PRF. Workers' compensation covers all approved medical expenses for the treatment of employee injuries and lost wages if the employee is incapacitated for more than three days. Premiums are based on a five-year rolling average of claims experience for the DOT.

Transportation Maps \$242,000

This is a biennial appropriation for FY 2021 for the printing of Iowa transportation maps. This funding was last appropriated in FY 2019.

Ames Headquarters Northwest Wing Utility Improvements \$11,287,000

This is a new appropriation for FY 2021 intended to support a renovation including HVAC and other improvements at the DOT's Ames complex.

Inventory and Equipment \$-245,000

This appropriation funds the materials and equipment revolving fund.

Statewide Communication System \$-214,349

Funding for the lease payment is shifting from the RUTF and PRF to the RIIF as other public safety organizations use the system.

Discussion Items

Differential Tax Schedule for Biofuels — Taxes on motor fuel (gasoline and ethanol) and special fuel (diesel and biodiesel) are determined by tax schedules set in Iowa Code chapter [452A](#). These tax rates are based upon the market share of ethanol (motor fuel excise tax) and biodiesel (special fuels excise tax). The Iowa Department of Revenue administers these taxes, including making adjustments due to shifts in market share.

The existing tax schedules will expire on July 1, 2020, and taxes for ethanol-blended fuel and gasoline will be 30.0¢ per gallon. Taxes on biodiesel and diesel fuel will be 32.5¢ per gallon. In previous years, the General Assembly has acted to extend these tax schedules when they were scheduled to be repealed. Prior to 2015, when tax schedules were established for five years, the tax schedules were extended for one year in three consecutive years. The current tax schedules are below.

Current Gasoline Excise Tax Schedule

Ethanol (E-10) Market Share	E-10 (or higher) per-gallon	Gasoline per-gallon
0.0% – 50.0%	29.0¢	30.0¢
50.1% – 55.0%	29.0	30.1
55.1% – 60.0%	29.0	30.3
60.1% – 65.0%	29.0	30.5
65.1% – 70.0%	29.0	30.7
70.1% – 75.0%	29.0	31.0
75.1% – 80.0%	29.3	30.8
80.1% – 85.0%	29.5	30.7
85.1% – 90.0%	29.7	30.4
90.1% – 95.0%	29.9	30.1
95.1% – 100.0%	30.0	30.0

Current Special Fuel Excise Tax Schedule

Biodiesel (B-11) Market Share	B-11 (or higher) per-gallon	Diesel per-gallon
0.0% – 50.0%	29.5¢	32.5¢
50.1% – 55.0%	29.8	32.5
55.1% – 60.0%	30.1	32.5
60.1% – 65.0%	30.4	32.5
65.1% – 70.0%	30.7	32.5
70.1% – 75.0%	31.0	32.5
75.1% – 80.0%	31.3	32.5
80.1% – 85.0%	31.6	32.5
85.1% – 90.0%	31.9	32.5
90.1% – 95.0%	32.2	32.5
95.1% – 100.0%	32.5	32.5

FAST Act — The federal Fixing America's Surface Transportation ([FAST](#)) Act is authorized through the end of September 30, 2020. If Congress does not replace or extend the FAST Act, reimbursements to state government agencies for construction projects may be delayed. Additional information is available in a publication from the Congressional Research Service, "[Reauthorizing Highway and Transit Funding Programs](#)."

Fixing America's Surface Transportation Act (FAST Act)

(dollars in millions)

	FFY 2016	Est. FFY 2017	Est. FFY 2018	Est. FFY 2019	Est. FFY 2020
National Highway Performance Program	\$ 292.9	\$ 297.5	\$ 303.6	\$ 311.3	\$ 317.8
Surface Transportation Block Grant Program	145.9	148.3	151.7	155.2	158.6
Highway Safety Improvement Program	23.8	27.2	27.8	28.4	29.0
Railway-Highway Crossings Program	8.3	5.5	5.5	5.7	5.8
Congestion Mitigation and Air Quality Program	11.3	11.4	11.7	11.9	12.2
Metropolitan Planning Program	2.0	2.0	2.0	2.1	2.2
National Highway Freight Program	14.4	13.7	14.9	16.9	18.7
Total Apportionments	\$ 498.5	\$ 505.5	\$ 517.3	\$ 531.5	\$ 544.3



Appendix A – Tracking

Analysis of the Governor's Budget Recommendations

This Appendix contains tracking for the following:

- Other Funds
- Full-Time Equivalent (FTE) Positions

Department of Transportation Governor's Recommendations – FY 2021

	Actual FY 2019	Estimated FY 2020	Gov. Rec. FY 2021	Gov. Rec. vs FY 2020
Administrative Services				
Road Use Tax Fund	\$ 6,682,954	\$ 6,792,594	\$ 6,800,347	\$ 7,753
Primary Road Fund	41,052,430	41,725,936	41,773,560	47,624
Total Administrative Services	47,735,384	48,518,530	48,573,907	55,377
Highway Division				
Road Use Tax Fund	10,233,174	10,319,346	10,319,346	0
Primary Road Fund	247,828,001	250,577,127	252,436,259	1,859,132
Total Highway	258,061,175	260,896,473	262,755,605	1,859,132
Motor Vehicle Division				
Road Use Tax Fund	25,962,748	26,552,992	26,552,992	0
Primary Road Fund	1,081,781	1,272,705	1,272,705	0
Total Motor Vehicles	27,044,529	27,825,697	27,825,697	0
Planning & Programming & Modal				
Road Use Tax Fund	447,822	450,327	450,327	0
Primary Road Fund	8,508,616	8,556,215	8,556,215	0
Total Planning & Programming & Modal	8,956,438	9,006,542	9,006,542	0
Strategic Performance				
Road Use Tax Fund	671,369	675,955	675,955	0
Primary Road Fund	4,124,123	4,152,292	4,152,292	0
Total Strategic Performance	4,795,492	4,828,247	4,828,247	0
Dept. of Administrative Services Utilities				
Road Use Tax Fund	259,560	337,404	337,404	0
Primary Road Fund	1,594,440	2,007,247	2,007,247	0
Total Administrative Services Utilities	1,854,000	2,344,651	2,344,651	0
Auditor Reimbursement				
Road Use Tax Fund	87,318	89,740	92,120	2,380
Primary Road Fund	536,382	551,260	565,880	14,620
Total Auditor Reimbursement	623,700	641,000	658,000	17,000
Indirect Cost Recoveries				
Road Use Tax Fund	90,000	90,000	90,000	0
Primary Road Fund	660,000	660,000	660,000	0
Total Indirect Cost Recoveries	750,000	750,000	750,000	0
Statewide Comm. System				
Road Use Tax Fund	497,191	114,302	72,889	-41,413
Primary Road Fund	3,054,172	702,142	487,793	-214,349
Total Statewide Comm. System	3,551,363	816,444	560,682	-255,762
Unemployment Compensation				
Road Use Tax Fund	7,000	7,000	7,000	0
Primary Road Fund	138,000	138,000	138,000	0
Total Unemployment Comp.	145,000	145,000	145,000	0
Workers' Compensation				
Road Use Tax Fund	175,748	158,809	170,209	11,400
Primary Road Fund	4,217,954	3,811,421	4,085,021	273,600
Total Workers' Comp.	4,393,702	3,970,230	4,255,230	285,000
County Treasurers Support				
Road Use Tax Fund	1,406,000	1,406,000	1,406,000	0
Dallas County Driver's License Facility				
Road Use Tax Fund	0	350,000	0	-350,000
Driver's License Equip.				
Road Use Tax Fund	3,876,000	3,876,000	3,876,000	0
Mississippi River Parkway Commission				
Road Use Tax Fund	40,000	40,000	40,000	0

Note: This document does not display standing appropriations for personal delivery of services (\$225,000) and County Treasurer Equipment (\$650,000).
 LSA Staff Contact: Adam Broich (515.281.8223) adam.broich@legis.iowa.gov

Department of Transportation Governor's Recommendations – FY 2021

	Actual FY 2019	Estimated FY 2020	Gov. Rec. FY 2021	Gov. Rec. vs FY 2020
TraCS/MACH				
Road Use Tax Fund	300,000	300,000	300,000	0
MVD Field Facilities Maintenance				
Road Use Tax Fund	300,000	300,000	300,000	0
Garage Fuel & Waste Management				
Primary Road Fund	800,000	1,000,000	1,000,000	0
Transportation Maps				
Primary Road Fund	242,000	0	242,000	242,000
Inventory & Equipment Replacement				
Primary Road Fund	10,465,000	10,330,000	10,085,000	-245,000
Utility Improvements				
Primary Road Fund	400,000	400,000	400,000	0
Garage Roofing Projects				
Primary Road Fund	500,000	500,000	500,000	0
HVAC Improvements				
Primary Road Fund	700,000	700,000	700,000	0
Field Facility Deferred Maintenance				
Primary Road Fund	1,700,000	1,700,000	1,700,000	0
Rest Area Facility Maintenance				
Primary Road Fund	250,000	250,000	250,000	0
ADA Improvements				
Primary Road Fund	150,000	150,000	150,000	0
Sioux City Combined Facility				
Primary Road Fund	0	26,951,000	0	-26,951,000
Purchase of Salt				
Primary Road Fund	8,700,000	0	0	0
Waterloo Garage Renovations				
Primary Road Fund	1,790,000	0	0	0
Ames Administration Building				
Primary Road Fund	0	0	11,287,000	11,287,000
Totals by Funding Source				
Road Use Tax Fund	\$ 51,036,884	\$ 51,860,469	\$ 51,490,589	\$ -369,880
Primary Road Fund	338,492,899	356,135,345	342,448,972	\$ -13,686,373
Total	\$ 389,529,783	\$ 407,995,814	\$ 393,939,561	\$ 14,056,253
Full-Time Equivalent Positions				
Administrative Services	250.0	250.0	251.0	1.0
Planning & Programming	94.0	94.0	94.0	-
Highway	2,056.0	2,057.0	2,064.0	7.0
Motor Vehicles	281.0	289.0	289.0	-
Strategic Performance	41.0	41.0	41.0	-
Total FTE Positions	2,722.0	2,731.0	2,739.0	8.0

Note: This document does not display standing appropriations for personal delivery of services (\$225,000) and County Treasurer Equipment (\$650,000).
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Explanation of FTE Position Data

Analysis of the Governor's Budget Recommendations

The following is an explanation of the full-time equivalent (FTE) position information provided on the following tables. The columns of FTE data represent different points in time that the numbers were compiled. For additional information on the State's FTE positions, see the ***Issue Review*** entitled [FY 2017 FTE Positions and Personnel Costs](#).

Actual FY 2019: This data represents the actual FTE utilization calculated at the close of the fiscal year. The FTE usage is calculated by taking the actual hours worked during the fiscal year and dividing the number by 2,080 hours. For example, if a department has budgeted a full-time position (equating to 1.00 FTE) and this position is vacant for six months of the fiscal year, at the close of the fiscal year, the calculation of the actual FTE would be 0.50 ($1,040 \div 2,080 = 0.50$). The calculation of the actual FTE factors out the portion of the FTE that was vacant during the fiscal year.

Estimated FY 2020: This data represents the estimated FTE positions that were budgeted by the departments at the beginning of FY 2020 and incorporates any revisions that would have been made to the budget by the departments through (approximately) December 2019. Changes to the estimates can occur for a variety of reasons. For example, if departments are not provided funding for salary adjustments to cover the costs of funding collective bargaining contracts, the departments will often reduce the number of FTE positions in order to cover costs.

Gov Rec FY 2021: This is the Governor's recommendation for FY 2021.

Gov Rec FY 2021 vs Est FY 2020: This represents the difference between the Governor's recommended FTE positions for FY 2021 and the most recent estimates for FY 2020.

Bill Number: Nonappropriated FTE positions are denoted by "NONAPPR." These FTE positions are not subject to an appropriated cap.

Transportation, Infrastructure, and Capitals

FTE Positions

	Actual FY 2018 (1)	Estimated FY 2019 (2)	Gov Rec FY 2020 (3)	Gov Rec FY 20 vs Est FY 19 (4)	Gov Rec Yr2 FY 2021 (5)	Gov Rev FY20 vs Gov Rec FY21 (6)
Transportation, Department of						
Transportation, Dept. of						
Operations	230.14	250.00	250.00	0.00	250.00	0.00
Planning	80.35	94.00	94.00	0.00	94.00	0.00
Highway	1,828.78	2,056.00	2,056.00	0.00	2,056.00	0.00
Motor Vehicle Division	355.75	281.00	289.00	8.00	289.00	0.00
Performance and Technology	32.98	41.00	41.00	0.00	41.00	0.00
Total Transportation, Department of	<u>2,528.01</u>	<u>2,722.00</u>	<u>2,730.00</u>	<u>8.00</u>	<u>2,730.00</u>	<u>0.00</u>
Total Transportation, Infrastructure, and Capitals	<u>2,528.01</u>	<u>2,722.00</u>	<u>2,730.00</u>	<u>8.00</u>	<u>2,730.00</u>	<u>0.00</u>

State Road Funds
Estimated FY 2020 – FY 2024

(All Tables in Millions)

Projected Receipts

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Road Use Tax Fund	\$ 1,497.69	\$ 1,509.49	\$ 1,528.06	\$ 1,527.76	\$ 1,542.33
TIME-21 Fund	225.00	225.00	225.00	225.00	225.00
Total State Road Fund Receipts	\$ 1,722.68	\$ 1,734.49	\$ 1,753.06	\$ 1,752.76	\$ 1,767.33

State Road Funds – Projected Distributions

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Primary Road Fund	\$ 822.47	\$ 828.89	\$ 838.46	\$ 838.40	\$ 845.37
Secondary Road Fund	383.81	386.53	390.74	390.64	394.25
Farm-To-Market Road Fund	105.47	106.37	107.73	107.74	108.90
Street Construction Fund	309.78	312.03	315.46	315.46	318.37
Off-the-Top Allocations and Appropriations	101.14	100.67	100.67	100.52	100.44
Total State Road Fund Distributions	\$ 1,722.68	\$ 1,734.49	\$ 1,753.06	\$ 1,752.76	\$ 1,767.33

Note: Projected distributions occur after appropriations. Appropriations and revenues for each road fund are detailed in the following pages. Totals may not add due to rounding.

Road Use Tax Fund – Projected Receipts, Allocations, and Distributions

Estimated FY 2020 – FY 2024

(All Tables in Millions)

Receipts

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Motor Vehicle Registration Fees	\$ 553.70	\$ 562.02	\$ 572.50	\$ 583.19	\$ 594.08
Motor Carrier Registration Fees & Prorate	72.41	72.78	73.14	73.51	73.87
Total Motor Vehicle and Carrier Registration Fees	\$ 626.11	\$ 634.80	\$ 645.64	\$ 656.70	\$ 667.96
Motor Vehicle Fuel Tax	\$ 663.10	\$ 649.99	\$ 637.74	\$ 624.93	\$ 620.08
Fee for New Registration	346.45	360.30	378.32	380.21	385.91
Interest	3.88	4.07	4.26	4.46	4.68
Other*	12.18	11.10	12.31	11.22	12.43
Payments and Adjustments	3.54	3.68	3.83	3.98	4.14
Transfer from Statutory Allocations Fund (prior FY balance)	45.53	48.33	48.42	48.37	48.90
Total Receipts	\$ 1,700.78	\$ 1,712.26	\$ 1,730.51	\$ 1,729.87	\$ 1,744.10
Transfer to TIME-21 Fund (Veh. Reg. Fees)**	(203.10)	(202.78)	(202.45)	(202.11)	(201.77)
Net Receipts	\$ 1,497.69	\$ 1,509.49	\$ 1,528.06	\$ 1,527.76	\$ 1,542.33

* Includes miscellaneous licenses, permits, and fees, motor carrier fines, and special license plate revenues and any payments and adjustments.

** Motor vehicle and carrier registration fees in excess of \$392.0 million.

Off-The-Top Allocations and Appropriations

Statutory Allocations per Code Section 312.2

Primary Road Fund (Commercial and Industrial Network)	\$ 36.82	\$ 38.24	\$ 40.08	\$ 40.30	\$ 40.90
Primary Road Fund (\$7.1 and \$4.4 million)	11.50	11.50	11.50	11.50	11.50
Secondary & Urban Roads (to Primary Rd. Fd.)	0.50	0.50	0.50	0.50	0.50
RISE					
State (to Primary Rd. Fd.)	23.36	23.14	22.90	22.60	22.22
City and County	17.81	17.48	17.17	16.84	16.67
Park & Institutional Roads (to Primary Rd. Fd.)	9.50	9.56	9.67	9.67	9.76
Farm-to-Market Road Fund	1.50	1.50	1.50	1.50	1.50
Secondary Road Fund	5.94	5.83	5.72	5.61	5.58
Living Roadway Trust Fund	0.25	0.25	0.25	0.25	0.25
Railroad Crossing Surface Repair Fund	0.90	0.90	0.90	0.90	0.90
Railroad Crossing Safety Fund	0.70	0.70	0.70	0.70	0.70
Secondary Bridge Fund	2.00	2.00	2.00	2.00	2.00
City Bridge Fund	0.50	0.50	0.50	0.50	0.50
License Plate Production	3.50	3.50	3.50	3.50	3.50
Traffic Safety Projects	7.08	7.03	7.08	7.10	7.11
Driver's License Suspension Personal Delivery of Service	0.23	0.23	0.23	0.23	0.23
County Treasurer's Equipment (Reg. & Licenses)	1.41	1.41	1.41	1.41	1.41
Refunds	0.23	0.23	0.23	0.23	0.23
Total Statutory Allocations	\$ 123.70	\$ 124.48	\$ 125.83	\$ 125.33	\$ 125.44

Road Use Tax Fund – Projected Receipts, Allocations, and Distributions

Estimated FY 2020 – FY 2024

(All Tables in Millions)

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Appropriations					
DIA (DL Revocation Hearings)	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62	\$ 1.62
Dept. of Management Support Staff	0.06	0.06	0.06	0.06	0.06
DAS I/3 Expenses (Treasurer of State)	0.09	0.09	0.09	0.09	0.09
Driver's License Costs (Lease)/Central Issuance	3.88	3.88	3.88	3.88	3.88
DOT Operations Appropriations (3 Divisions)	43.99	43.84	43.99	44.15	44.15
DAS Utility Services	0.26	0.26	0.26	0.26	0.26
Unemployment Compensation	0.01	0.01	0.01	0.01	0.01
Workers Compensation	0.18	0.18	0.18	0.18	0.18
Indirect Cost Recovery	0.09	0.09	0.09	0.09	0.09
State Auditor Reimbursement	0.09	0.09	0.09	0.09	0.09
County Treasurer Support (Dr. License Issuance)	0.65	0.65	0.65	0.65	0.65
Tracs/MACH	0.30	0.30	0.30	0.30	0.30
Mississippi River Parkway Commission	0.04	0.04	0.04	0.04	0.04
MVD Field Facility Maintenance	0.30	0.30	0.30	0.30	0.30
One-Time Funding Needs Appropriations (Contingency)	4.00	4.00	4.00	4.00	4.00
Total Appropriations	\$ 55.55	\$ 55.39	\$ 55.55	\$ 55.70	\$ 55.70
Total Allocations and Appropriations	\$ 179.25	\$ 179.87	\$ 181.37	\$ 181.04	\$ 181.14
Total Available for Distribution (Receipts Less Allocations and Appropriations)	\$ 1,318.43	\$ 1,329.62	\$ 1,346.68	\$ 1,346.72	\$ 1,361.19

Formula Allocation Code Section 312.2

	Estimated FY 2019	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Primary Road Fund* (47.5%)	\$ 626.25	\$ 631.57	\$ 639.68	\$ 639.69	\$ 646.57
Secondary Road Fund (24.5%)	323.02	325.76	329.94	329.95	333.49
Farm-To-Market Road Fund (8.0%)	105.47	106.37	107.73	107.74	108.90
Street Construction Fund (20.0%)	263.69	265.92	269.34	269.34	272.24
Total Formula Allocation	\$ 1,318.43	\$ 1,329.62	\$ 1,346.68	\$ 1,346.72	\$ 1,361.19

NOTE: Numbers may not equal totals due to rounding.

* Per Iowa Code section 314.4(6), 1.75% of Primary Road Fund allocation deposits in the Transfer of Jurisdiction Fund.

TIME-21 Fund – Projected Receipts and Allocations

Estimated FY 2020 – FY 2024

(All Tables in Millions)

Receipts

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Motor Vehicle Registration Fees	\$ 203.10	\$ 202.78	\$ 202.45	\$ 202.11	\$ 201.77
Trailer Reg. Fee Increase	12.10	12.42	12.74	13.08	13.42
Title & Salvage Title Fee Increase	9.80	9.80	9.80	9.80	9.80
Interest	0.01	0.01	0.01	0.01	0.01
Total Receipts	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00

Formula Allocation

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Primary Road Fund (60.0%)	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00
Secondary Road Fund (20.0%)	45.00	45.00	45.00	45.00	45.00
Street Construction Fund (20.0%)	45.00	45.00	45.00	45.00	45.00
Total Distribution	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00

NOTE: Numbers may not equal totals due to rounding.

Statutory Allocations Fund – Projected Receipts and Distributions

Estimated FY 2020 – FY 2024

(All Tables in Millions)

Receipts

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Driver's License Fees*	\$ 17.78	\$ 17.78	\$ 17.78	\$ 17.78	\$ 17.78
Trailer Registration Fees	9.68	9.93	10.19	10.46	10.74
Trailer Fee for New Registration	19.94	20.21	20.49	20.77	21.06
Title & Salvage Title Fees	7.39	7.39	7.39	7.39	7.39
Title, Salvage and Surcharge Fees	4.93	4.93	4.93	4.93	4.93
Use Tax**	1.84	1.91	2.01	2.02	2.05
Car Rental Tax	3.15	3.18	3.21	3.24	3.27
IA Apport. Commercial Truck Title Fee	0.73	0.78	0.80	0.83	0.85
Total Receipts	\$ 65.42	\$ 66.10	\$ 66.79	\$ 67.41	\$ 68.06

* Includes motorcycle driver's license fees and nonoperator ID fees.

** Includes the use tax on mobile homes and manufactured homes and on leased vehicles not subject to registration.

Distribution

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Public Transit Assistance	\$ 14.73	\$ 15.30	\$ 16.03	\$ 16.12	\$ 16.36
Motorcycle Rider Education Fund	0.89	0.89	0.89	0.89	0.89
Special Plate Funds	1.50	1.50	1.50	1.50	1.50
Total Distribution	\$ 17.12	\$ 17.69	\$ 18.42	\$ 18.51	\$ 18.75

Balance transfer to RUTF**	48.30	48.41	48.37	48.90	49.31
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NOTE: Numbers may not equal totals due to rounding.

* The allocation to the Renewable Fuel Infrastructure Fund became effective July 1, 2011, after enactment of SF 531 (Biofuel Retail and Production Incentives Act) in the 2011 Legislative Session, which reduced the allocation to the Underground Storage Tank Fund by \$3.0 million.

** Due to accounting procedures, the balance of the SAF transfers to the RUTF in the next fiscal year.

Transfer of Jurisdiction Fund – Projected Receipts and Distributions

Estimated FY 2020 – FY 2024

(All Tables in Millions)

Receipts

	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023	Estimated FY 2024
Total Receipts	\$ 10.96	\$ 11.05	\$ 11.19	\$ 11.19	\$ 11.31

Formula Allocation

Secondary Road Fund (90.0%)	\$ 9.86	\$ 9.95	\$ 10.07	\$ 10.08	\$ 10.18
Street Construction Fund (10.0%)	1.10	1.11	1.12	1.12	1.13
Total Allocation	\$ 10.96	\$ 11.05	\$ 11.19	\$ 11.19	\$ 11.31

NOTE: Numbers may not equal totals due to rounding.

Appendix B – Appropriations Activity

Analysis of the Governor's Recommendations

The following information provides a summary of the FY 2019 General Fund and non-General Fund appropriations for the departments under the purview of the Transportation, Infrastructure, and Capitals Appropriations Subcommittee. Appropriations are adjusted for several factors throughout the fiscal year, including supplemental appropriations, deappropriations, and adjustments to standing appropriations to account for actual expenditures. Other activity associated with appropriated funds includes: balances brought forward, transfers, and reversions. The tables show each of the departments' appropriations and the changes that occurred throughout the fiscal year.

- Original Appropriation: This is the amount appropriated from the General Fund in individual appropriation bills during the 2018 Legislative Session.
- Adjustment to Standings: These adjustments represent changes that are made to budgeted standing unlimited appropriations for the purpose of balancing the year-end amount. There are numerous standing unlimited appropriations established in the Iowa Code. The exact amount for each of these appropriations is not known until the close of the fiscal year. As the General Assembly develops the annual budget, an estimated amount is included for budgeting purposes. This estimated appropriation is then adjusted to reflect actual expenditures.
- Session Law Adjustments (General Fund Only): During the 2018 Legislative Session there were two appropriation bills enacted that provided increases to certain State agencies and allowed the agencies to allocate the increase across their line-item appropriations: [Senate File 2415](#) (FY 2019 Education Appropriations Act) and [HF 2492](#) (FY 2019 Justice System Appropriations Act). Senate File 2415 provided an increase of \$8.3 million to the Board of Regents, and HF 2492 provided an increase of \$3.9 million to the Department of Corrections.
- Supplemental Appropriations/Deappropriations: These changes represent the supplemental appropriations and deappropriations enacted during the 2019 Legislative Session.
- Salary Adjustment (Other Funds Only): Several non-General Fund appropriations were authorized to receive appropriation adjustments to fund salary increases for FY 2019.
- Total Appropriation: This is the sum of all of the above numbers and represents the final appropriation amount after the above changes were applied.



Appendix B – Appropriations Activity

Analysis of the Governor's Recommendations

- Balance Brought Forward: These are the appropriated funds allowed to carry forward from FY 2018 to FY 2019. These funds provided additional spendable dollars for FY 2019.
- Transfers In and Out: These adjustments represent transferred appropriation spending authority between enacted appropriations. These transfers are usually implemented by the Governor through the authority of Iowa Code section [8.39](#).
- Balance Carryforward: These are appropriated funds that are allowed to carry forward from FY 2019 to FY 2020. These funds provide additional spendable dollars for FY 2020.
- Reversions: These are the unspent appropriated funds that revert back to the fund from which they were appropriated.
- Total Adjustments: This is the sum of the Balance Brought Forward, Transfers, Balance Carryforward, and Reversions. The total represents the final appropriation amount after the above changes were applied.
- Total Expended: This number represents the appropriation after all of the above adjustments have been made. The result is the total appropriated funds that were expended in FY 2019.

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Transportation										
Transportation, Department of										
<i>Primary Road Fund</i>										
Field Facility Deferred Maint.	\$ 1,700,000	\$ 0	\$ 0	\$ 0	\$ 1,700,000	\$ 938,508	\$ -1,177,832	\$ 0	\$ -239,324	\$ 1,460,676
Garage Fuel & Waste Management	800,000	0	0	0	800,000	0	0	-308	-308	799,692
PRF - Auditor of State Reimbursement	536,382	0	0	0	536,382	0	0	-187,039	-187,039	349,343
PRF - DAS Utility Services	1,594,440	0	0	0	1,594,440	0	0	-170,838	-170,838	1,423,603
PRF - Indirect Cost Recoveries	660,000	0	0	0	660,000	0	0	0	0	660,000
PRF - Strategic Performance	4,124,123	0	0	0	4,124,123	0	0	-200,567	-200,567	3,923,556
PRF-DOT Workers' Compensation	4,217,954	0	0	0	4,217,954	0	0	0	0	4,217,954
PRF-Highway Division	247,828,001	0	0	0	247,828,001	0	0	-229,439	-229,439	247,598,562
PRF-Inventory & Equipment Replacement	10,465,000	0	0	0	10,465,000	0	0	0	0	10,465,000
PRF-Motor Vehicle Division	1,081,781	0	0	0	1,081,781	0	0	-1,989	-1,989	1,079,792
PRF-Operations	41,020,512	0	0	31,918	41,052,430	500,000	-500,000	-1,168,591	-1,168,591	39,883,839
PRF-Planning, Programming & Modal	8,508,616	0	0	0	8,508,616	0	0	-1,297,739	-1,297,739	7,210,877
PRF-Unemployment Compensation	138,000	0	0	0	138,000	0	0	-110,095	-110,095	27,905
Purchase of Salt	0	0	8,700,000	0	8,700,000	0	-7,652,500	0	-7,652,500	1,047,500
Rest Area Facility Maintenance	250,000	0	0	0	250,000	0	-8	0	-8	249,992
Statewide Interoperable Communications System	3,054,172	0	0	0	3,054,172	0	0	-69,308	-69,308	2,984,864
Transportation Maps	242,000	0	0	0	242,000	0	0	-35,780	-35,780	206,220
<i>Road Use Tax Fund</i>										
County Treasurers Support	1,406,000	0	0	0	1,406,000	0	0	-320,847	-320,847	1,085,153
Drivers' Licenses	3,876,000	0	0	0	3,876,000	0	0	0	0	3,876,000
Highway Division	10,233,174	0	0	0	10,233,174	0	0	-9,474	-9,474	10,223,700
Mississippi River Parkway Commission	40,000	0	0	0	40,000	0	0	-9,204	-9,204	30,796
Personal Delivery of Services DOT	225,000	0	0	0	225,000	0	0	-105,379	-105,379	119,621
RUTF - Auditor of State Reimbursement	87,318	0	0	0	87,318	0	0	-30,448	-30,448	56,870
RUTF - DAS Utility Services	259,560	0	0	0	259,560	0	0	-27,811	-27,811	231,749
RUTF - Indirect Cost Recoveries	90,000	0	0	0	90,000	0	0	0	0	90,000
RUTF - Strategic Performance	671,369	0	0	0	671,369	0	0	-32,650	-32,650	638,719
RUTF-Motor Vehicle Division	25,962,748	0	0	0	25,962,748	0	0	-47,725	-47,725	25,915,023
RUTF-Operations	6,677,758	0	0	5,196	6,682,954	0	0	-134,014	-134,014	6,548,940
RUTF-Planning, Programs & Modal	447,822	0	0	0	447,822	0	0	-28,447	-28,447	419,375
RUTF-Unemployment Compensation	7,000	0	0	0	7,000	0	0	-5,585	-5,585	1,415
RUTF-Workers' Compensation	175,748	0	0	0	175,748	0	0	0	0	175,748
Statewide Interoperable Communications System	497,191	0	0	0	497,191	0	0	-11,283	-11,283	485,908
TraCS/MACH	300,000	0	0	0	300,000	0	0	-59,922	-59,922	240,078
Transportation, Department of Total	377,177,669	0	8,700,000	37,114	385,914,783	1,438,508	-9,330,340	-4,294,480	-12,186,312	373,728,471
Transportation Total	\$ 377,477,669	\$ 0	\$ 8,700,000	\$ 37,114	\$ 386,214,783	\$ 1,575,386	\$ -9,348,382	\$ -4,294,480	\$ -12,067,476	\$ 374,147,307

Appendix C – Sample of Budget Schedules

Analysis of the Governor's Budget Recommendations

Schedule 1 Example

Schedule 1 shows the “decision packages” used by the Executive Branch to arrive at a department’s annual budget request (dollars and full-time equivalent (FTE) positions) and the Governor’s recommendations for a budget unit.

STATE OF IOWA Fiscal Year 2021 Annual Budget SPECIAL DEPARTMENT: (460) Human Services, Department of Budget Unit: (413N200001) Medical Assistance Schedule 1					Department name & budget unit number
Rank	Description	Funding Source	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recommendations	Fiscal year
Base		Appropriation	1,427,381,632	1,427,381,632	
		FTE	11.00	11.00	
0001	The SFY20 unfunded need for obligations continuing in SFY21.	Appropriation	106,562,336	88,982,736	Base appropriation and FTE positions plus “decision packages”
0002	Lower Health Care Trust Fund revenue (\$1,400,000), Palo Tax revenue (\$602,080), and Decategorization revenue (\$500,000).	Appropriation	2,502,080	872,437	
0003	Includes less than a one percent trend in member months.	Appropriation	10,200,905	5,373,870	
Total Budget Unit Funding			Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recommendations	Total appropriation and FTE positions
Appropriation		Fiscal Year 2020 Estimated	\$ 1,551,453,842	\$ 1,594,420,546	
Salary Adjustment		0	0	4,829	
Total Appropriations		\$ 1,427,379,707	\$ 1,551,453,842	\$ 1,594,425,375	
Total FTE		11.00	11.00	11.00	

Budget schedules are available at: www.legis.iowa.gov/publications/fiscal/budgetSchedules

Schedule 6 Example

Schedule 6 provides a detailed budget for all appropriated accounts or funds under the control of a department. Resources include the appropriation, the salary adjustment (if applicable), across-the-board reductions, supplemental appropriations, intrastate receipts from other agencies, receipts from local governments, and other receipts such as fees. Expenditures include all expenses related to the operating budget, such as salary, travel, contracts, etc. Expenditures also include reversions or balance brought forward.

STATE OF IOWA Fiscal Year 2021 Annual Budget SPECIAL DEPARTMENT: (460) Human Services, Department of Budget Unit: (402M100001) Field Operations Schedule 6					Department name & budget unit number
	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm	Fiscal year
Resources					
Appropriations					Appropriations
Appropriation	\$ 49,074,517	\$ 55,396,906	\$ 55,600,398	\$ 55,600,398	
OCIO Rate Adjustment	0	203,492	0	0	
	49,074,517	55,600,398	55,600,398	55,600,398	
Receipts					Budget unit receipts
Federal Support	80,157,187	85,057,328	83,600,829	83,600,829	
Intra State Receipts	4,033,358	4,407,779	4,407,779	4,407,779	
	84,190,545	89,465,107	88,008,608	88,008,608	
Total Resources	\$ 133,265,062	\$ 145,065,505	\$ 143,609,006	\$ 143,609,006	
FTE	1,363.50	1,479.00	1,479.00	1,479.00	FTE positions
Disposition of Resources					Budget unit expenditures
Personal Services-Salaries	\$ 121,863,789	\$ 131,429,320	\$ 131,429,320	\$ 131,429,320	
Personal Travel In State	1,340,912	1,578,371	1,578,371	1,578,371	
State Vehicle Operation	327,336	330,443	330,443	330,443	
Depreciation	232,247	295,349	295,349	295,349	
Personal Travel Out of State	43,926	46,966	46,966	46,966	
Office Supplies	82,702	127,738	127,738	127,738	
Facility Maintenance Supplies	317	483	483	483	
Other Supplies	0	6	6	6	
Printing & Binding	258,388	302,114	302,114	302,114	
Food	40	0	0	0	
Postage	310,321	418,504	418,504	418,504	
Communications	493,598	511,272	511,272	511,272	
Rentals	361,042	429,517	429,517	429,517	

Budget schedules are available at: www.legis.iowa.gov/publications/fiscal/budgetSchedules

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S400143) Administration
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Resources				
Receipts				
Federal Support	\$ 23,542	\$ 0	\$ 0	\$ 0
Intra State Receipts	0	0	457,651	0
Gov Fund Type Transfers - Other A	46,432,779	48,518,430	48,518,530	48,573,907
Fees, Licenses & Permits	627	100	0	0
	<u>46,456,947</u>	<u>48,518,530</u>	<u>48,976,181</u>	<u>48,573,907</u>
Total Resources	<u>\$ 46,456,947</u>	<u>\$ 48,518,530</u>	<u>\$ 48,976,181</u>	<u>\$ 48,573,907</u>
FTE	<u>223.63</u>	<u>250.00</u>	<u>250.00</u>	<u>251.00</u>
Disposition of Resources				
Personal Services-Salaries	\$ 23,490,865	\$ 25,638,840	\$ 25,683,117	\$ 25,738,494
Personal Travel In State	73,883	97,000	97,100	97,100
State Vehicle Operation	154,887	221,500	221,500	221,500
Depreciation	101,351	221,600	221,600	221,600
Personal Travel Out of State	111,798	83,500	93,500	93,500
Office Supplies	340,535	455,000	465,100	465,100
Facility Maintenance Supplies	1,369,677	1,498,900	1,498,550	1,498,550
Equipment Maintenance Supplies	141,869	246,000	245,900	245,900
Professional & Scientific Supplies	214	1,200	1,300	1,300
Highway Maintenance Supplies	7,100	127,500	127,500	127,500
Other Supplies	0	2,300	2,300	2,300
Uniforms & Related Items	9,815	46,700	46,800	46,800
Postage	221,855	300,400	301,300	301,300
Communications	1,407,713	1,716,280	1,716,280	1,716,280
Rentals	926,664	1,270,900	1,270,900	1,270,900

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S400143) Administration
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Disposition of Resources (cont.)				
Utilities	1,171,114	1,100,000	1,100,000	1,100,000
Professional & Scientific Services	372,007	279,200	279,900	279,900
Outside Services	1,180,703	827,274	855,174	855,174
Advertising & Publicity	16,847	37,700	37,700	37,700
Outside Repairs/Service	1,467,381	1,350,200	1,350,200	1,350,200
Attorney General Reimbursements	0	1,250,000	0	0
Reimbursement to Other Agencies	108,887	90,000	90,000	90,000
ITS Reimbursements	259,984	216,300	216,500	216,500
IT Outside Services	3,736,563	2,504,600	2,504,900	2,504,900
Gov Fund Type Transfers - Attorneys	1,398,772	100	1,250,000	1,250,000
Gov Fund Type Transfers - Other Agencies	25,750	40,500	40,700	40,700
Equipment	252,629	365,100	365,100	365,100
Office Equipment	498,292	814,000	814,000	814,000
Equipment - Non-Inventory	142,945	200,000	200,000	200,000
IT Equipment	7,405,172	7,504,136	7,867,210	7,409,559
Other Expense & Obligations	61,676	10,800	11,050	11,050
Fees	0	1,000	1,000	1,000
Total Disposition of Resources	<u>\$ 46,456,947</u>	<u>\$ 48,518,530</u>	<u>\$ 48,976,181</u>	<u>\$ 48,573,907</u>

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S420143) Planning, Programming & Modal
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Resources				
Receipts				
Federal Support	\$ 281,421	\$ 0	\$ 0	\$ 0
Gov Fund Type Transfers - Other A	7,630,253	9,006,542	9,006,542	9,006,542
	<u>7,911,673</u>	<u>9,006,542</u>	<u>9,006,542</u>	<u>9,006,542</u>
Total Resources	<u>\$ 7,911,673</u>	<u>\$ 9,006,542</u>	<u>\$ 9,006,542</u>	<u>\$ 9,006,542</u>
 FTE	 <u>76.47</u>	 <u>94.00</u>	 <u>94.00</u>	 <u>94.00</u>
Disposition of Resources				
Personal Services-Salaries	\$ 7,228,105	\$ 8,064,622	\$ 8,064,622	\$ 8,064,622
Personal Travel In State	151,359	25,000	25,000	25,000
State Vehicle Operation	82,286	75,000	75,000	75,000
Depreciation	56,138	75,000	75,000	75,000
Personal Travel Out of State	51,529	35,000	35,000	35,000
Office Supplies	55,764	60,000	60,000	60,000
Facility Maintenance Supplies	21,017	1,000	1,000	1,000
Equipment Maintenance Supplies	50,502	75,000	75,000	75,000
Professional & Scientific Supplies	119	200	200	200
Highway Maintenance Supplies	81	5,000	5,000	5,000
Other Supplies	0	200	200	200
Uniforms & Related Items	1,430	1,200	1,200	1,200
Communications	9	500	500	500
Rentals	1,520	4,600	4,600	4,600
Utilities	0	100	100	100
Professional & Scientific Services	0	1,000	1,000	1,000
Outside Services	39,268	399,420	399,420	399,420

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S420143) Planning, Programming & Modal
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Disposition of Resources (cont.)				
Advertising & Publicity	410	5,000	5,000	5,000
Outside Repairs/Service	0	3,200	3,200	3,200
Reimbursement to Other Agencies	3,500	5,000	5,000	5,000
ITS Reimbursements	9,986	12,000	12,000	12,000
IT Outside Services	64,531	75,000	75,000	75,000
Gov Fund Type Transfers - Other A	30	600	600	600
Equipment	1,371	1,700	1,700	1,700
Office Equipment	0	1,200	1,200	1,200
IT Equipment	88,442	75,000	75,000	75,000
Other Expense & Obligations	286	1,000	1,000	1,000
State Aid	3,990	4,000	4,000	4,000
Total Disposition of Resources	<u>\$ 7,911,673</u>	<u>\$ 9,006,542</u>	<u>\$ 9,006,542</u>	<u>\$ 9,006,542</u>

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S440143) Highway Division
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Resources				
Receipts				
Federal Support	\$ 6,303,789	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Gov Fund Type Transfers - Other A	257,822,263	260,896,473	262,160,473	262,755,605
Other	32,363	200	0	0
	<u>264,158,415</u>	<u>263,896,673</u>	<u>265,160,473</u>	<u>265,755,605</u>
Total Resources	<u>\$ 264,158,415</u>	<u>\$ 263,896,673</u>	<u>\$ 265,160,473</u>	<u>\$ 265,755,605</u>
FTE	<u>1,943.67</u>	<u>2,057.00</u>	<u>2,056.00</u>	<u>2,064.00</u>
Disposition of Resources				
Personal Services-Salaries	\$ 179,965,560	\$ 186,324,091	\$ 186,323,992	\$ 186,919,124
Personal Travel In State	626,357	1,747,010	1,747,210	1,747,210
State Vehicle Operation	18,779,416	19,847,038	19,846,738	19,846,738
Depreciation	13,238,878	12,796,206	13,953,206	13,953,206
Personal Travel Out of State	307,575	294,585	294,585	294,585
Office Supplies	438,523	436,443	436,643	436,643
Facility Maintenance Supplies	3,696,848	4,273,811	4,273,611	4,273,611
Equipment Maintenance Supplies	4,328,301	3,971,711	3,971,611	3,971,611
Professional & Scientific Supplies	311,377	220,932	220,932	220,932
Highway Maintenance Supplies	24,243,231	21,066,694	21,066,694	21,066,694
Ag.,Conservation & Horticulture Su	264,199	420,655	420,655	420,655
Other Supplies	2,287	4,623	4,623	4,623
Printing & Binding	0	1,200	1,200	1,200
Uniforms & Related Items	629,037	430,236	430,235	430,235
Postage	8,710	16,600	16,200	16,200
Communications	42,397	29,957	29,957	29,957

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S440143) Highway Division
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Disposition of Resources (cont.)				
Rentals	300,279	30,444	30,144	30,144
Utilities	3,089,046	2,950,173	2,950,173	2,950,173
Professional & Scientific Services	590,356	246,150	246,150	246,150
Outside Services	1,622,691	2,064,610	2,064,110	2,064,110
Advertising & Publicity	268,258	555,529	555,730	555,730
Outside Repairs/Service	2,179,347	838,248	838,348	838,348
Reimbursement to Other Agencies	25,981	78,500	78,500	78,500
ITS Reimbursements	797,035	673,701	673,801	673,801
IT Outside Services	2,548,182	726,610	727,610	727,610
Gov Fund Type Transfers - Other A	1,596,002	44,105	44,305	44,305
Equipment	1,086,793	2,039,344	1,296,544	1,296,544
Office Equipment	969,618	515,185	515,185	515,185
IT Equipment	2,023,713	1,237,728	2,082,833	2,082,833
Other Expense & Obligations	6,933	12,693	13,287	13,287
Fees	112	1,061	1,461	1,461
Refunds-Other	330	700	1,200	1,200
Capitals	171,041	100	3,000	3,000
Total Disposition of Resources	<u>\$ 264,158,415</u>	<u>\$ 263,896,673</u>	<u>\$ 265,160,473</u>	<u>\$ 265,755,605</u>

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S460143) Motor Vehicle Division
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Resources				
Receipts				
Federal Support	\$ 1,026,408	\$ 1,000,000	\$ 0	\$ 0
Gov Fund Type Transfers - Other A	26,994,815	27,825,497	27,825,697	27,825,697
Fees, Licenses & Permits	600,750	100,100	100,000	100,000
Other	9,000	100	0	0
	<u>28,630,974</u>	<u>28,925,697</u>	<u>27,925,697</u>	<u>27,925,697</u>
Total Resources	<u>\$ 28,630,974</u>	<u>\$ 28,925,697</u>	<u>\$ 27,925,697</u>	<u>\$ 27,925,697</u>
 FTE	 <u>260.25</u>	 <u>289.00</u>	 <u>289.00</u>	 <u>289.00</u>
Disposition of Resources				
Personal Services-Salaries	\$ 21,461,199	\$ 23,802,507	\$ 23,802,507	\$ 23,802,507
Personal Travel In State	104,183	118,100	118,100	118,100
State Vehicle Operation	89,533	91,112	91,112	91,112
Depreciation	100,452	89,500	89,400	89,400
Personal Travel Out of State	60,263	53,490	53,390	53,390
Office Supplies	310,474	164,656	164,756	164,756
Facility Maintenance Supplies	39,651	63,100	63,100	63,100
Equipment Maintenance Supplies	1,532	1,400	1,400	1,400
Professional & Scientific Supplies	23	300	300	300
Highway Maintenance Supplies	221	200	200	200
Other Supplies	905,261	12,300	12,300	12,300
Printing & Binding	0	100	100	100
Uniforms & Related Items	33,818	41,900	41,800	41,800
Postage	384,407	10,300	10,300	10,300
Communications	26,113	20,200	20,200	20,200

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S460143) Motor Vehicle Division
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Disposition of Resources (cont.)				
Rentals	3,041	3,900	3,900	3,900
Utilities	129,884	311,100	311,100	311,100
Professional & Scientific Services	452,250	401,800	401,700	401,700
Outside Services	1,367,368	1,178,976	1,178,976	1,178,976
Advertising & Publicity	12,322	16,800	16,900	16,900
Outside Repairs/Service	34,923	30,300	30,200	30,200
Reimbursement to Other Agencies	7,093	400	400	400
ITS Reimbursements	140,737	96,400	96,500	96,500
IT Outside Services	1,571,713	1,335,100	335,200	335,200
Gov Fund Type Transfers - Other A	5,540	500	500	500
Equipment	52	600	600	600
Office Equipment	11,710	5,100	5,100	5,100
IT Equipment	841,735	1,073,856	1,073,856	1,073,856
Other Expense & Obligations	535,375	1,600	1,700	1,700
Refunds-Other	100	100	100	100
Total Disposition of Resources	<u>\$ 28,630,973</u>	<u>\$ 28,925,697</u>	<u>\$ 27,925,697</u>	<u>\$ 27,925,697</u>

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S620143) Strategic Performance
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Resources				
Receipts				
Federal Support	\$ 21,293	\$ 0	\$ 0	\$ 0
Gov Fund Type Transfers - Other A	4,562,275	4,828,247	4,828,247	4,828,247
	<u>4,583,568</u>	<u>4,828,247</u>	<u>4,828,247</u>	<u>4,828,247</u>
Total Resources	<u>\$ 4,583,568</u>	<u>\$ 4,828,247</u>	<u>\$ 4,828,247</u>	<u>\$ 4,828,247</u>
 FTE	 <u>36.16</u>	 <u>41.00</u>	 <u>41.00</u>	 <u>41.00</u>
Disposition of Resources				
Personal Services-Salaries	\$ 4,095,517	\$ 4,555,170	\$ 4,555,170	\$ 4,555,170
Personal Travel In State	8,621	5,000	5,000	5,000
State Vehicle Operation	1,873	5,000	5,000	5,000
Depreciation	1,263	1,600	1,600	1,600
Personal Travel Out of State	49,148	38,500	38,500	38,500
Office Supplies	12,958	65,000	65,000	65,000
Facility Maintenance Supplies	22,010	4,810	4,810	4,810
Equipment Maintenance Supplies	0	200	200	200
Highway Maintenance Supplies	0	200	200	200
Other Supplies	0	1,500	1,500	1,500
Printing & Binding	2,675	100	100	100
Uniforms & Related Items	201	200	200	200
Postage	0	100	100	100
Communications	0	435	435	435
Rentals	1,763	2,000	2,000	2,000
Professional & Scientific Services	93,563	3,500	3,500	3,500
Outside Services	27,261	33,000	33,000	33,000

STATE OF IOWA
Fiscal Year 2021 Annual Budget
SPECIAL DEPARTMENT: (895) Transportation, Department of
Budget Unit: (645S620143) Strategic Performance
Schedule 6

	Fiscal Year 2019 Actual	Fiscal Year 2020 Estimated	Fiscal Year 2021 Department Request	Fiscal Year 2021 Governor's Recomm
Disposition of Resources (cont.)				
Advertising & Publicity	780	100	100	100
Reimbursement to Other Agencies	700	1,000	1,000	1,000
ITS Reimbursements	3,015	4,500	4,500	4,500
IT Outside Services	132,679	20,000	20,000	20,000
Gov Fund Type Transfers - Other A	0	1,800	1,800	1,800
Office Equipment	0	1,600	1,600	1,600
IT Equipment	129,325	82,832	82,832	82,832
Other Expense & Obligations	214	100	100	100
Total Disposition of Resources	<u>\$ 4,583,568</u>	<u>\$ 4,828,247</u>	<u>\$ 4,828,247</u>	<u>\$ 4,828,247</u>



Appendix D – Report on Federal Grants

Analysis of the Governor's Budget Recommendations

Grants Enterprise Management Report

The Grants Enterprise Management System (GEM\$) was established by the Iowa Legislature in 2003 to simplify the grant identification and application process for State customers and to provide a unified grants management approach within State government.

The Office of Grants Enterprise Management under the Department of Management (DOM) is required to submit a report to the Fiscal Services Division by January 31 of each year, with a listing of all grants received during the previous calendar year with a value over \$1,000 and the funding entity and purpose for each grant.

The Tables below are the report received by the DOM.

2019 Noncompetitive Grant Report
Report Required by Iowa Code Section 8.9
Iowa Department of Management
Source: GEM\$ Database as entered by Agencies

State Agency	Title of Grant	Amount Awarded	Match Amount	MOE Required?	Funding Start Date	Funding End Date	FTEs Associated with this Grant
DOT	FY 17 (FY 18 award) Iowa DOT implementation of single span concrete box beam bridge standards using U.H.P.C joint	\$ 1,000,000	\$ 250,000	No	9/10/2018	9/30/2020	0.00
DOT	2019 Pavement Condition Inspection at 23 Airports	\$ 227,180	\$ 25,243	No	9/2/2019	9/1/2020	0.00
DOT	2019 Update State Aviation System Plan	\$ 504,064	\$ 56,008	No	9/2/2019	9/1/2021	0.00

2019 Competitive Grant Report
Report Required by Iowa Code Section 8.9
Iowa Department of Management
Source: GEM\$ Database as entered by Agencies

State Agency	Title of Application	Amount Awarded	Actual Match	MOE Required?	Funding Start Date	Funding End Date	FTEs Associated with Grant
DOT	CRISI-Booneville Bridge Project	\$ 3,470,500	\$ 3,470,500	No	12/21/2018	12/23/2019	0.00
DOT	2017-2018 Diesel Vehicle Emissions Reduction in Iowa	\$ 762,941	\$ 600,000	No	9/3/2018	9/3/2019	0.00
DOT	FY 2018 Iowa Rural Transit Bus Replacement Project	\$ 7,000,000	\$ 1,246,681	No	9/24/2018	9/23/2019	0.00
DOT	FY 18 Iowa Small Urban Transit Bus Replacement Project	\$ 1,939,672	\$ 372,420	No	9/24/2018	9/23/2019	0.00
DOT	AID Demonstration - Clinton County	\$ 700,000	\$ -	No	1/4/2019	5/14/2019	0.00

Appendix E – Selected LSA Reports

Analysis of the Governor’s Budget Recommendations

This appendix contains three reports issued by the LSA:

- **Issue Review:** Electric Vehicle and Hybrid-Electric Vehicle Registration Fees and Excise Taxes
- **Issue Review:** Iowa Transportation Commission
- **Fiscal Topic:** Statutory Off-the-Top Allocations from the Road Use Tax Fund – FY 2017

ISSUE REVIEW

Fiscal Services Division

November 8, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Iowa Transportation Commission

ISSUE

This **Issue Review** provides information on the history and responsibilities of the Iowa Transportation Commission. The **Issue Review** will:

- Recollect the [origins](#) of the Highway Commission and legislation affecting its duties.
- Address the [reorganization](#) of the Highway Commission with other State agencies into the Department of Transportation and the Transportation Commission.
- Describe the current [duties](#) of the Transportation Commission using the [2020-2024](#) Transportation Improvement Program as a framework.

AFFECTED AGENCIES

Department of Transportation

CODE AUTHORITY

Iowa Code chapter [307A](#)

Iowa Code sections [307.24\(5\)](#), [307.26\(10\)](#), [307A.2](#), [308.4](#), [308.9](#), [308A.1](#), [313.2A](#), [315.3](#), [315.5](#), and [321.35](#)

BACKGROUND

It seems absurd that in a state so wealthy and prosperous, so advanced in education and intelligence, the entire agricultural economy and the basis for practically all business activity should be left to the mercy of bad weather...

— Anson Marston, Highway Commission, *Transportation in Iowa History: A Historical Summary*, page 93

The history of road building in Iowa could be written as the history of the State Highway Commission.

— William H. Thompson, Iowa Transportation Historian, *Transportation in Iowa History: A Historical Summary*, page 82

The Iowa Legislature does not appropriate moneys to specific road projects. The responsibility for funding individual projects for both roads and other transportation projects falls on the Iowa Transportation Commission. Transportation commissions function as an additional oversight body over transportation spending by state agencies, particularly the state transportation agency. While not a direct descendant, the Iowa Transportation Commission traces its roots back to the Highway Commission of the early 20th century. While the current Commission oversees more than road transportation, including aviation, public transit, and rail, and many

highway-related responsibilities are now implemented by the Iowa Department of Transportation (DOT), the approval of transportation improvement programs continues to make up the largest portion of the Commission's duties.

The Highway Commission

In 1904, after years of agitation for improved roads by bicyclists, motorists, farmers, and mail order customers, the Iowa Legislature passed 1904 Iowa Acts, chapter [105](#), establishing the Highway Commission for the State of Iowa within what is now Iowa State University. The precursor to today's DOT and Transportation Commission, the Highway Commission was composed of Charles F. Curtiss and Anson Marston, both serving as deans at the college, and Thomas H. MacDonald, an assistant. The Highway Commission was tasked with the following purposes delineated in the legislation:

1. To devise and adopt plans and systems of highway construction and maintenance...and conduct demonstration in such highway construction...for the instruction of county supervisors, township trustees, superintendents, students of the college, and others.
2. To disseminate information and instruction to county supervisors, and other highway officers who make request. Provided a trained and competent highway builder for demonstration upon the request of a county.
3. To formulate reasonable conditions and regulations for public demonstrations; and to promulgate advisory rules and regulations for the repair and maintenance of highways.
4. To keep a record of all the important operations of the Highway Commission.

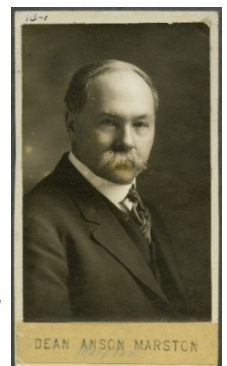
The Commission had no significant power over the entities controlling road maintenance but rather served in an advisory capacity. In its first annual report, the Commission divided its activities into four sections:

- **Investigations.** Investigations included analyzing soil conditions throughout the State's glacial districts, the status of road work in various counties, and traffic statistics compiled in the 1905 State census.
- **Experiments.** Experiments included traction tests, tests of reinforced concrete, and tests of concrete culverts.
- **Plans and Publications.** Publications included "The Good Roads Problem in Iowa" and "A Manual for Highway Officers." The former detailed road construction and maintenance, and the latter provided practical reference for road officers throughout the State.
- **Road School.** Over the course of a week, the Commission presented on topics such as road dragging, pavement on city streets, and demonstration work on stone roads and road machinery.

1913: The State Highway Commission

1913 brought a new phase to the Commission. After prolonged debate, the Legislature established that the State Highway Commission would remain on Iowa State's campus but no longer under its purview.¹ Marston remained as chairman of the Commission with two additional commissioners, one from each party, along with staff members from the previous iteration. The legislation gave the new Commission additional powers and responsibilities, among them the ability to supervise rather than advise county and town supervisors.

*Dean of Engineering
Anson Marston*



¹ 1913 Iowa Acts, chapter [122](#)

New Facilities and New Powers

In 1923, the 40th General Assembly approved the building of facilities for the Highway Commission in Ames.² The site remains the home of both the Department of Transportation and Transportation Commission. Along with the dedicated facilities, subsequent legislative acts increased the standing in the highway building hierarchy. The 1925 Iowa Primary Road Act³ granted control of primary road funds to the Highway Commission. Subsequently, the 1927 Iowa Primary Road Act transferred county supervisor powers to the Highway Commission.⁴

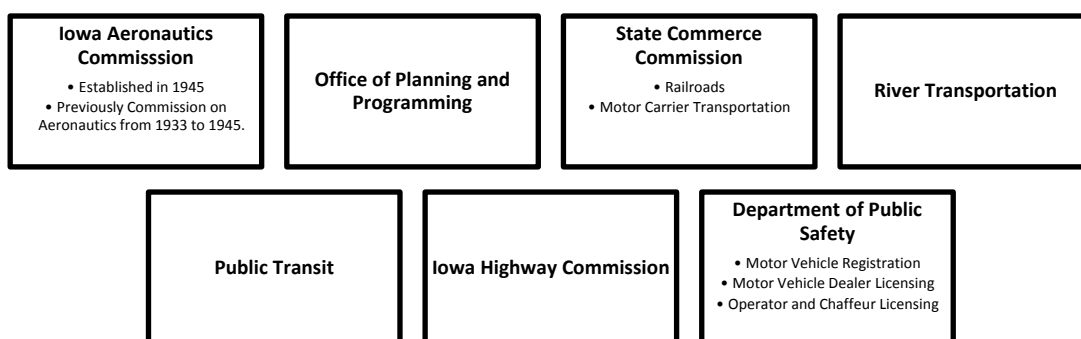
In 1949, the Road Use Tax Fund (RUTF) and the structure for funding road construction and maintenance in Iowa were established in 1949 Iowa Acts, chapter [122](#). The RUTF formula distributes the majority of State road funding by allocating funds to the State and county and municipal authorities. Revenue includes motor fuel excise taxes, annual vehicle registrations, new vehicle registrations, and other sources. Pursuant to the Constitution of the State of Iowa, [Article VII, section 8](#), the majority of these revenue funds are mandated to be used on the highway system. By the established formula, these revenues are then directed to other funds including the Primary Road Fund (PRF). The DOT and the Transportation Commission allocate PRF funds under the Highway Improvement Program.

TRANSITION

Federal legislation later in the 20th century placed a greater emphasis on multimodal transportation planning, which incentivized the creation of centralized transportation agencies incorporating highways, railroads, aviation, public transit, and other modes. At the federal level, the Department of Transportation Act⁵ established the new Department of Transportation in 1966. Throughout the country, states created their own departments of transportation.

In 1970, Iowa Governor Robert Ray commissioned the Office of Planning and Programming (OPP) to submit a report on the merits of the creation of an Iowa Department of Transportation. As the report was being written, U.S. Congress passed several acts that further encouraged state supervisory agencies. In 1971, the OPP report recommended the creation of the Iowa Department of Transportation and detailed possible responsibilities, demonstrated in the graphic.

Agencies Merging Under Proposed DOT



² 1923 Acts, chapter [329](#)

³ 1925 Iowa Acts, chapter [114](#)

⁴ 1927 Iowa Acts, chapter [101](#)

⁵ [PL 89-670](#)

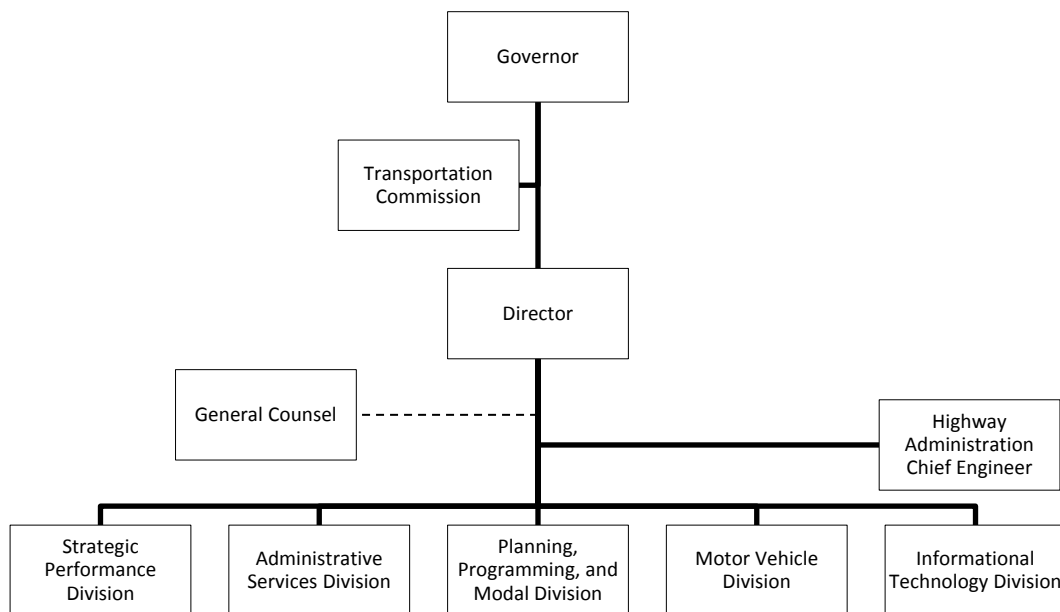
As recommended by the report, the Legislature created the Iowa Department of Transportation in 1974, along with the Transportation Commission.⁶ The Highway Commission, with annual expenditures of over \$150.0 million, comprised the largest portion of the new Department. For comparison, the Iowa Aeronautics Commission in 1971 had annual expenditures of \$400,000. The DOT gained responsibilities from previous agencies including the Highway Commission, which essentially became a branch of the new Department. The Transportation Commission created in the Act served as an additional oversight body for the DOT.

In 1986, the Legislature transferred the power to appoint the director of the Department of Transportation from the Transportation Commission to the Governor subject to confirmation from the Senate.⁷ The Commission gained the ability to amend the transportation budget prior to submittal to the Governor and the General Assembly and to approve qualifying road and street projects under the Revitalizing Iowa's Sound Economy (RISE) Program.

DUTIES AND CURRENT ORGANIZATION

The Transportation Commission is comprised of [seven members](#), with no political party exceeding the other by more than one member.⁸ A chairperson and vice-chairperson are selected by the Commission each July. The Commission meets once a month. Members are appointed by the Governor and confirmed by the Senate to overlapping four-year terms. The commissioners are paid an annual \$10,000 salary.⁹ The following is a portion of the Department of Transportation organizational chart (May 2019):

Transportation Commission



The list of responsibilities afforded to the Commission by Iowa Code sections [307A.2](#) and [315.5](#) include:

⁶ 1974 Iowa Acts, chapter [1180](#)

⁷ 1986 Iowa Acts, chapter [1245](#)

⁸ Iowa Code section [307A.1A](#)

⁹ Iowa Code section [7E.6](#)

1. Developing, coordinating, and updating a comprehensive transportation [policy and plan](#) for the State.
2. Preparing and updating a five-year [program](#) for the primary road system as part of the transportation improvement program plan.
3. Adopting administrative rules, specifically on criteria for allocating funds.
4. Administrating the Revitalizing Iowa's Sound Economy (RISE) Fund, which is approximately \$42.0 million per year.
5. Promoting the coordinated and efficient use of all available modes of transportation for the benefit of the State and its citizens including but not limited to the designation and development of multimodal public transfer facilities if carriers or other private businesses fail to develop such facilities.
6. Identifying, within the primary road system, a network of commercial and industrial highways.
7. Approving all rules prior to their adoption by the Director.

The General Assembly does not appropriate funds for specific highway projects. However, the General Assembly does appropriate funds for the DOT's operation budget.

TRANSPORTATION GRANT PROGRAMS

In addition to developing a five-year program of construction projects for the primary road system, the Commission is responsible for allocating funds to several transportation grant programs.

State Aviation Program. Each year, the Commission approves annual funding allocations for the State Aviation Program. The Program receives funding from the aviation fuel tax and aviation registration fees. In addition, the Commission prioritizes pre-applications of federal funding and oversees two programs funded through a Rebuild Iowa Infrastructure Fund (RIIF) appropriation:

- Commercial Service Vertical Infrastructure
- General Aviation Vertical

Transit Program. The Commission allocates funding to public transit systems through three mechanisms:

- State Transit Assistance — This Program is funded through a tax on the sales of motor vehicles.
- Public Transit Infrastructure Program — This Program is typically funded through a RIIF appropriation.
- Federal Transit Administration Funds — This Program is federally funded.

Railroad Program. The Commission approves funding for railroad projects through the following programs:

- Highway-Railroad Crossing Safety Program — This Program is federally funded.
- Highway-Railroad Crossing Surface Repair Program — State funding pays for 60.0% of the cost of surface repair. The remaining 40.0% comes from local government and railroad companies.
- Railroad Revolving Loan and Grant Program — This Program is funded through railroad loan repayments and an annual State appropriation.

State Recreational Trails Program. This Program provides funding to establish transportation and recreation trails in Iowa. Eligible applicants include State and local government agencies, municipal corporations, counties, and nonprofit organizations. The Program is typically funded with a RIF appropriation. The Commission also administers applications for the Federal Recreational Trails Program.

Iowa Statewide Transportation Alternatives Program (TAP). TAP projects are community-based projects that expand travel choices and enhance the transportation experience by integrating modes and improving the cultural, historic, and environmental aspects of Iowa's transportation infrastructure. The Program is federally funded.

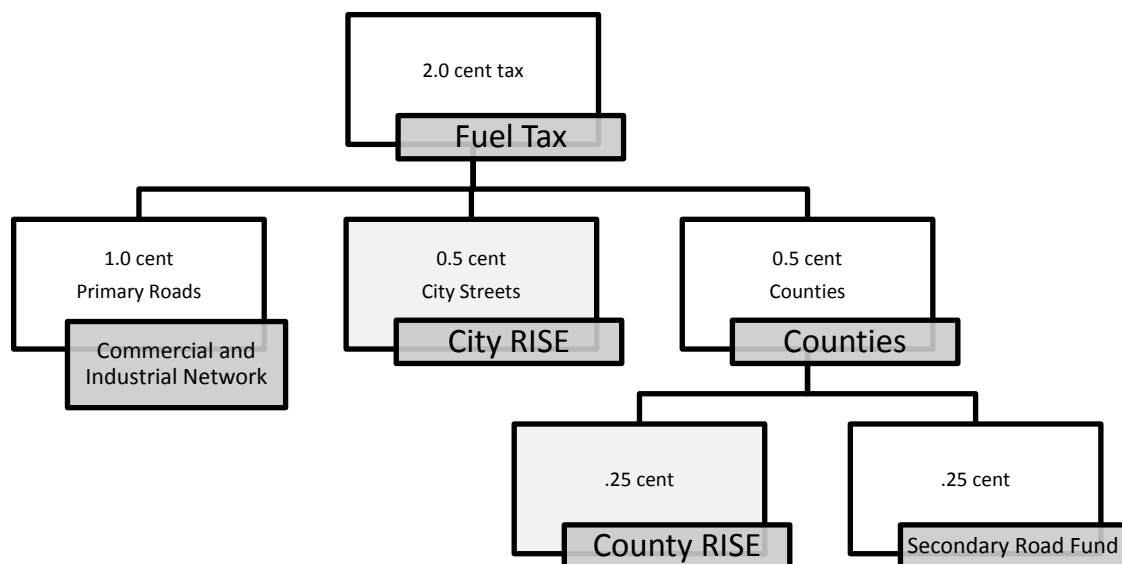
Iowa Clean Air Attainment Program (ICAAP). ICAAP projects are intended to improve air quality by maximizing vehicle emission reductions. The Program is federally funded.

Traffic Safety Improvement Program. Traffic Safety Improvement Program funds can be used for traffic safety improvements or studies of public roads under county, city, or State jurisdiction. The Program is funded by one-half percent (approximately \$7.0 million in FY 2019) of the RUTF.

RISE Fund. The RISE Fund¹⁰ was created in 1985 to promote economic development in Iowa through construction or improvement of roads and streets. Primary road RISE funds are deposited in the Primary Road Fund for use on the Commercial and Industrial Highway Network. Projects under city street and secondary road funds fall into two categories:

- Immediate Opportunity Projects — This category is reserved for projects related to an immediate, nonspeculative opportunity for permanent job creation or retention.
- Local Development Projects — This category is for projects that support local economic development but that do not require an immediate commitment of funds or meet the threshold set for immediate opportunity projects.
- An amount equivalent to a 2.0-cent tax on fuel is distributed as shown in the chart below:

RISE Tax Distribution



¹⁰ Iowa Code chapter [315](#)

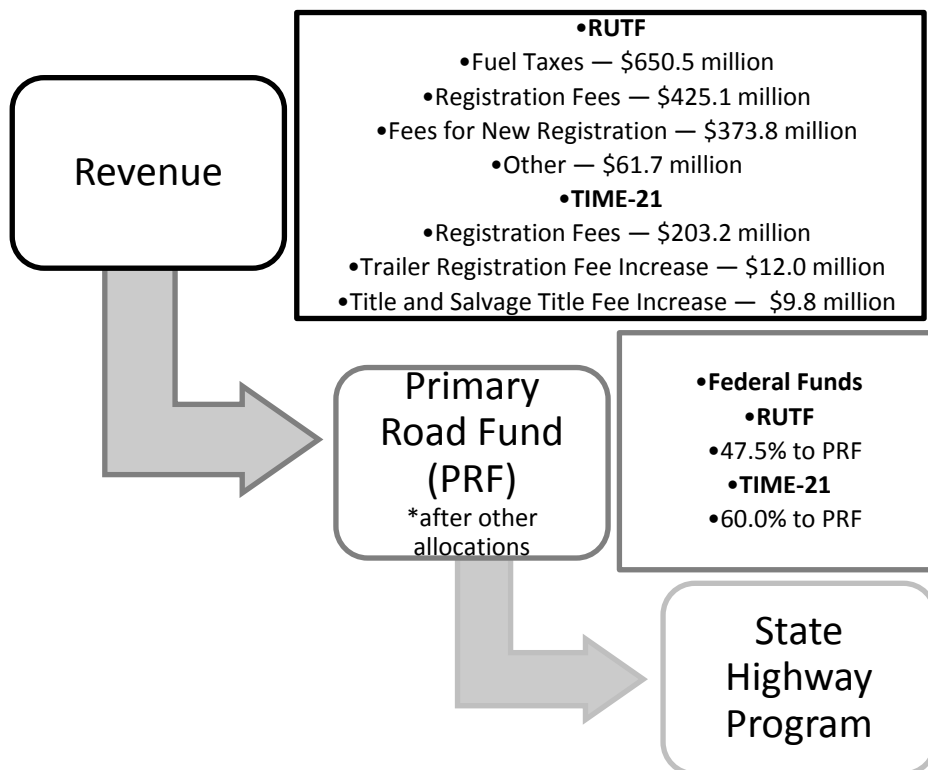
Below is a summary of FY 2018 RISE funding awarded by types of roads.

Summary of FY 2018 RISE Funding			
Roads	Amount Awarded/ Programmed	Annual Revenue	Percent of Annual Revenue Awarded/Programmed
Primary Roads	\$24,000,000	\$24,000,000	100.0%
City Streets	5,000,000	12,000,000	41.7%
Secondary Roads	2,000,000	6,000,000	33.3%
Total	\$31,000,000	\$42,000,000	73.8%

Note: Amount awarded to RISE projects varies from year to year based on number of applications.
Funds are nearly fully obligated on previously and currently awarded projects.
Any unobligated county RISE funds are reverted to the Secondary Road Fund at the end of the fiscal year.
*Figures are rounded.

STATE HIGHWAY PROGRAM

The largest portion of moneys programmed by the Commission is toward the State Highway Program. Approximately \$786.4 million in projects is programmed through the State Highway Program in FY 2020. The programming model is aggressive in the number of projects planned and conservative in incoming revenues. The Commission annually approves a five-year State Highway Plan establishing the Commission's priorities for implementing highway and bridge improvements throughout the State. The following graphic shows the flow of revenues used for the State Highway Program for FY 2019.¹¹



¹¹ The Transportation Investment Moves the Economy in the 21st Century (TIME-21) Fund was established in 2008. Motor vehicle registration fees exceeding \$392.0 million are directed towards the TIME-21 Fund until the Fund reaches a total of \$225.0 million in funds. The TIME-21 Fund distributes moneys at different percentages than the RUTF.

The following table lists the programs as approved by the Commission for the 2020-2024 Iowa Transportation Improvement Program and their respective funding amounts.

<u>PROGRAM</u>	<u>FUNDING</u>
STATE HIGHWAY PROGRAM	\$786.4 million, FY 2020
STATE AVIATION PROGRAM	\$49.1 million in State/federal/other funding, FY 2019
RISE FUND	\$42.0 million in State funding, FY 2018
TRANSIT PROGRAM	\$16.4 million in State funding, FY 2019
TRAFFIC SAFETY IMPROVEMENT PROGRAM	\$7.9 million in projects approved, FY 2020
RAILROAD PROGRAM	\$4.4 million in State funding, FY 2019
IOWA CLEAN AIR ATTAINMENT PROGRAM (ICAAP)	\$4.0 million in federal funding, FFY 2020
STATE RECREATIONAL TRAILS PROGRAM	\$1.3 million in State funding, FY 2019
IOWA STATEWIDE TRANSPORTATION ALTERNATIVES PROGRAM (TAP)	\$850,000 in federal funding, FY 2020

COMPARISON TO BORDERING STATES

Of the transportation commissions in bordering states, most commissions assist in the development of transportation plans. Most commissioners are appointed by the Governor and are subject to some type of legislative approval. Missouri is the only state whose transportation commission has the power to appoint the director of transportation. Nebraska's commission, unlike those of other bordering states, has no official capacity to approve or amend budgets but serves in an advisory capacity.

The states of Wisconsin, Illinois, and Minnesota do not have a transportation commission. The table below compares differences among neighboring state commissions.

State	Name of Commission	Members	Term Length	Appoints Director
Illinois	N/A	N/A	N/A	N/A
Iowa	Transportation Commission	Seven	Four Years	No
Missouri	Highways and Transportation Commission	Six	Six Years	Yes
Minnesota	N/A	N/A	N/A	N/A
Nebraska	State Highway Commission*	Eight	Six Years	No
South Dakota	Transportation Commission	Nine	Four Years	No
Wisconsin	N/A	N/A	N/A	N/A

* The Nebraska State Highway Commission serves in an advisory capacity and does not develop, approve, or amend transportation plans.

FUTURE CHALLENGES

As mentioned, while the Iowa Transportation Commission approves and amends budgets for the various transportation modes, the highways of the State continue to be the largest portion of its budget. Accordingly, any federal disruption in aid to improve and construct federal-aid highways and support public transit will affect Transportation Commission plans for both highways and other modes of transportation. At the time of writing, the federal funding authorization act, Fixing America's Surface Transportation (FAST) [Act](#), is set to expire in September 2020. Between \$500.0 and \$550.0 million annually has been apportioned to Iowa for the maintenance of highways and bridges through the FAST Act.

The Highway Trust Fund

The federal Highway Trust Fund supports the improvement and construction of the federal-aid highway system and supports the operation and capital needs of public transit systems in the country. As currently set up, the federal Highway Trust Fund is projected to run out of funds by FFY 2022, according to the federal [Congressional Budget Office](#). The Highway Trust Fund receives revenues from taxes on motor fuels, trucks and trailers, and truck tires; taxes on certain vehicles; and interest credited to the Fund. On September 30, 2020, the legal authority to expend revenue from these sources on federal-aid highway projects expires.

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ISSUE REVIEW

Fiscal Services Division

November 5, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Electric Vehicle and Hybrid-Electric Vehicle Registration Fees and Excise Taxes

ISSUE

This **Issue Review** will study the impact of electric vehicle (EV), plug-in hybrid-electric vehicle (PHEV), and hybrid-electric vehicle (HEV) registration fees on the Road Use Tax Fund (RUTF). EVs do not contribute significant road usage fees in the form of motor fuel excise tax revenue, and several states have imposed registration fees on EVs and HEVs in addition to their annual registration fees to make up for lost revenue. In 2019, Iowa joined the group of states implementing EV and PHEV fees to counteract the loss of revenue. This **Issue Review** will:

- Provide background information on EVs and PHEVs and revenue from motor fuel excise taxes as a user fee in Iowa, and how EVs and HEVs impact this revenue.
- Explore the fiscal impact of fees in Iowa to both the State and vehicle owners.
- Examine legislation in other states that currently have additional registration fees for these vehicles.

Except where noted, EV and HEV registration fees discussed in this **Issue Review** are in addition to any annual registration costs imposed on vehicles.

AFFECTED AGENCIES

Iowa Department of Transportation (DOT)

Iowa Department of Revenue (IDR)

County Treasurers

CODE AUTHORITY

Iowa Code chapters [312](#), [312A](#), [321](#), [452A](#)

Iowa Code sections [452A.3](#), [452A.41](#), [321.105](#), [321.105A](#), [321.109](#), [321.117](#)

TYPES OF ELECTRIC VEHICLES

EVs have been in existence since before the Ford Model T; however, it is only recently that advances in technology and infrastructure have made EVs competitive for the public to purchase or lease. EVs are generally recharged from an external electrical power source.

Vehicle Abbreviations Used in This **Issue Review**

EV:	Electric Vehicle – all electric with a battery storage system
HEV:	Hybrid-Electric Vehicle – uses drivetrain to assist in powering vehicle
PHEV:	Plug-in Hybrid-Electric Vehicle – has gas engine as back up when battery is depleted
PEV:	Includes both EV and PHEV

HEVs were introduced commercially in the U.S. in 1997. HEVs combine a conventional motor with some form of onboard electric propulsion. The electric motor in HEVs is generally powered from storage of the kinetic energy produced by the vehicle. Not all HEVs can be propelled by an electric motor alone, and may only achieve limited fuel consumption savings.

PHEVs were introduced commercially in the U.S. in 2010. PHEVs use a battery that can be recharged using an external energy source. The gas motor is only designed to work as a backup when the battery is depleted.

Each of these technologies is designed to reduce the vehicle owner's motor fuel consumption to some degree. EVs do not use any motor fuel at all, while the fuel consumption of HEVs can vary widely. The reduced motor fuel consumption also reduces user fees, in the form of motor fuel excise taxes, which are deposited into the RUTF.

Impact of Electric Vehicles on Road Use Tax Fund

DOT data shows that there are 2.4 million registered automobiles and multipurpose vehicles in Iowa. In April 2017, there were 397 EVs registered in the State. As of May 2019, annual registrations in Iowa for EVs were up to 1,170, an increase of 294%. EV owners tend to pay more in annual registration costs than non-EV owners. This is due to the retail list price of EVs and the age of the fleet. List prices of EVs may decrease over time as the cost of the technology decreases, and annual registration fees will decrease as the EV fleet ages.

The RUTF and the structure for funding road construction and maintenance in Iowa was established in 1949 Iowa Acts, chapter [122](#), with the creation of the RUTF. The RUTF formula distributes the majority of road funding by allocating funds to the State, counties, and municipal authorities. Revenue includes user fees such as motor fuel excise taxes, annual vehicle registrations, new vehicle registrations, and several other sources. Per the Constitution of the State of Iowa, Article VII, section 8, the majority of these revenue funds are constitutionally mandated to be used on the highway system.

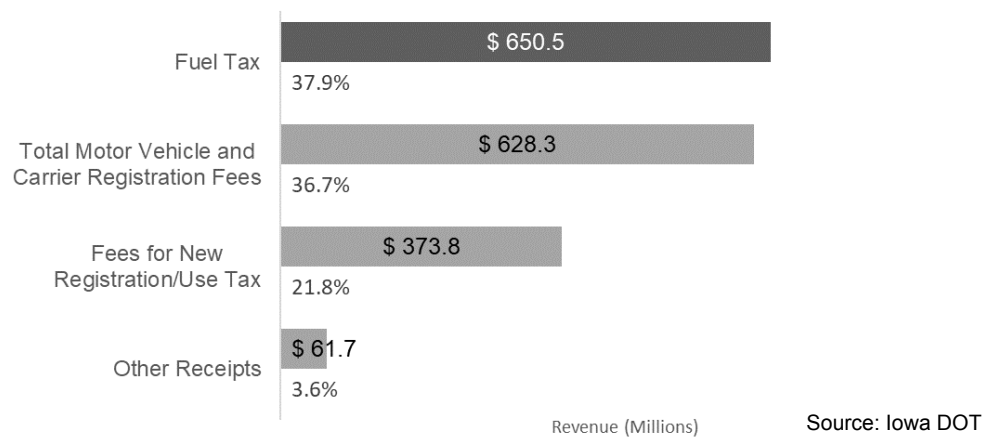
“All motor vehicle registration fees and all licenses and excise taxes on motor vehicle fuel, except cost of administration, shall be used exclusively for the construction, maintenance and supervision of the public highways exclusively within the state or for the payment of bonds issued or to be issued for the construction of such public highways and the payment of interest on such bonds.”

In Iowa, local authorities may bond or use other revenue sources besides user fees for road construction and maintenance. However, the State usually does not make General Fund appropriations or bond at the State level for highways.

Motor fuel taxes alone provided \$650.5 million, or 37.9%, of all revenue deposited into the RUTF and TIME-21¹ Fund in FY 2019. The following chart shows approximate RUTF and TIME-21 revenues by source for FY 2019. In total, user fees from excise taxes and annual registrations account for 74.6% of all revenue at the State level.

¹ The Transportation Investment Economy in the 21st Century (TIME-21) Fund was established in 2008. Motor vehicles registration fees after \$392.0 million are directed toward the TIME-21 Fund until the fund reaches a total of \$225.0 million in funds. The TIME-21 Fund distributes moneys at different percentages than the RUTF.

Revenue Deposited into the RUTF and TIME-21 Fund by Source



Iowa periodically examines its own sources of revenue to the RUTF. Under Iowa Code section [307.31](#), the DOT is required to submit a report every five years that reviews revenue levels of the RUTF, and the sufficiency of that revenue for construction and maintenance of the State's highways. The [2011](#) report recommended changes to how EVs were registered. Prior to the 2013 Legislative Session, the annual EV registration fee was a flat rate of \$25 per year for vehicles up to five years old, and \$15 for vehicles that were more than five years old. This rate had been in effect since 1927. [2013 Iowa Acts, chapter 140](#) repealed Iowa Code section [321.116](#). EV registration fees were then based upon the same weight and value formula that is used for nonelectric vehicles. In FY 2014, there were 224 EVs registered in the State that provided additional estimated revenue of \$31,800 in registration fees. The [2016](#) DOT report noted that challenges still exist to capture fuel taxes associated with EVs, as there are little to no motor fuel excise taxes levied on such vehicles in Iowa. As required by the Legislature, in 2018, the DOT compiled a [report](#) on the Impact of Electric Vehicles to the RUTF.

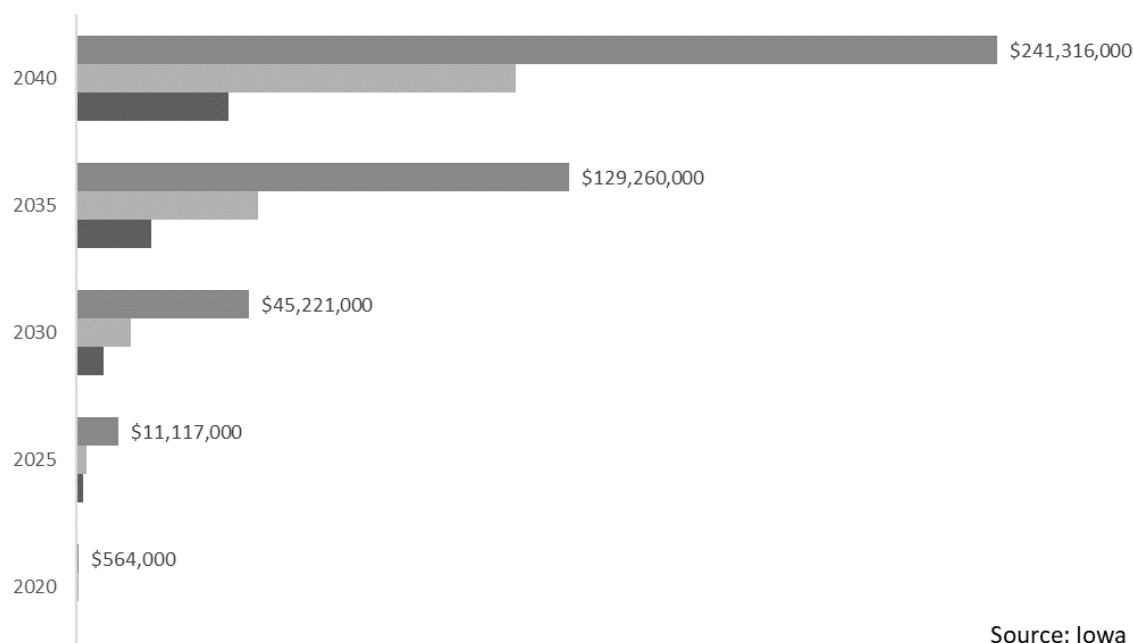
The report made three recommendations to the Legislature:

- Add a \$0.026 per kilowatt hour excise tax for charging electric vehicles at nonresidential charging locations.
- Add a supplemental registration fee for passenger electric vehicles. The fee would be \$130 per year for EVs, \$65 per year for PHEVs, and \$9 per year for electric motorcycles.
- Add a hydrogen fuel excise tax of \$0.65 per diesel gallon equivalent (2.49 pounds of hydrogen) for hydrogen fuel cell EVs.

The suggestions for the electric vehicle fees were based on average fuel tax revenue of \$154 per vehicle based on:

- An average of 11,500 miles driven per year.
- Fuel economy of 22 miles per gallon.
- A fuel tax rate of 29.5 cents per gallon.

Reduction in RUTF due to EV and PHEV
Low, Medium, High Impact Adoption Scenarios



The preceding chart shows the possible impacts to the RUTF in low, medium, and high impact adoption scenarios of EV and PHEVs. In FY 2019, approximately \$650.5 million in fuel taxes was collected. The high impact scenario for electric vehicle adoption above for 2020 reflects approximately 0.1% of fuel tax revenue.

In [2019 Iowa Acts, chapter 151](#), the Legislature instituted EV registration fees for EVs, PHEVs, battery motorcycles, and plug-in motorcycles. Furthermore, the legislation imposed a fee on electricity used as a fuel obtained from a source outside of a personal residence as well as for hydrogen used as fuel. The fees and implementation dates are listed in **Table 1** below.

Table 1

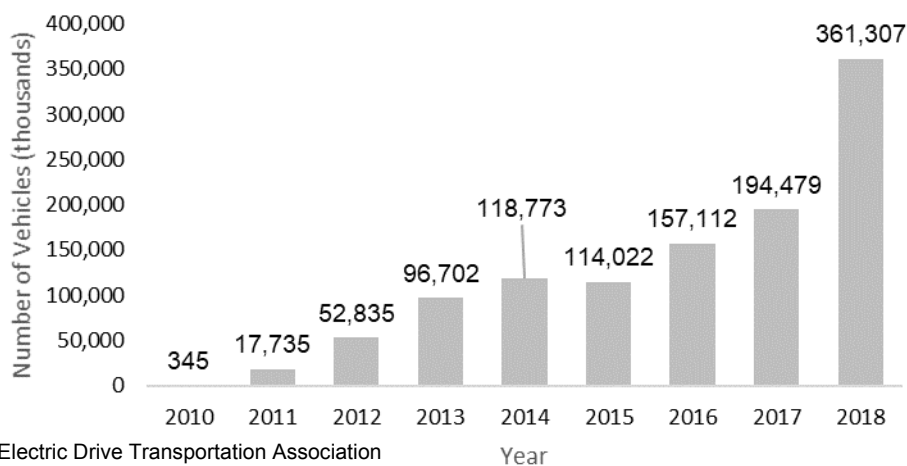
Registration Fees and Implementation Dates					
Date Implemented	EV	PHEV	Motorcycles	Hydrogen	Excise Tax
January 2020	\$65.00	\$32.50	\$4.50	\$0.65 per gallon	
January 2021	\$97.50	\$48.75	\$6.75		
January 2022	\$130.00	\$65.00	\$9.00		
July 2023					\$0.026 per kWh

CURRENT SITUATION

Several states offer tax credits or other incentives for consumers who purchase an EV or business installation of a charging station. These states account for the majority of EVs registered nationwide. The State of Iowa does not currently offer any incentives for consumers who purchase an EV.

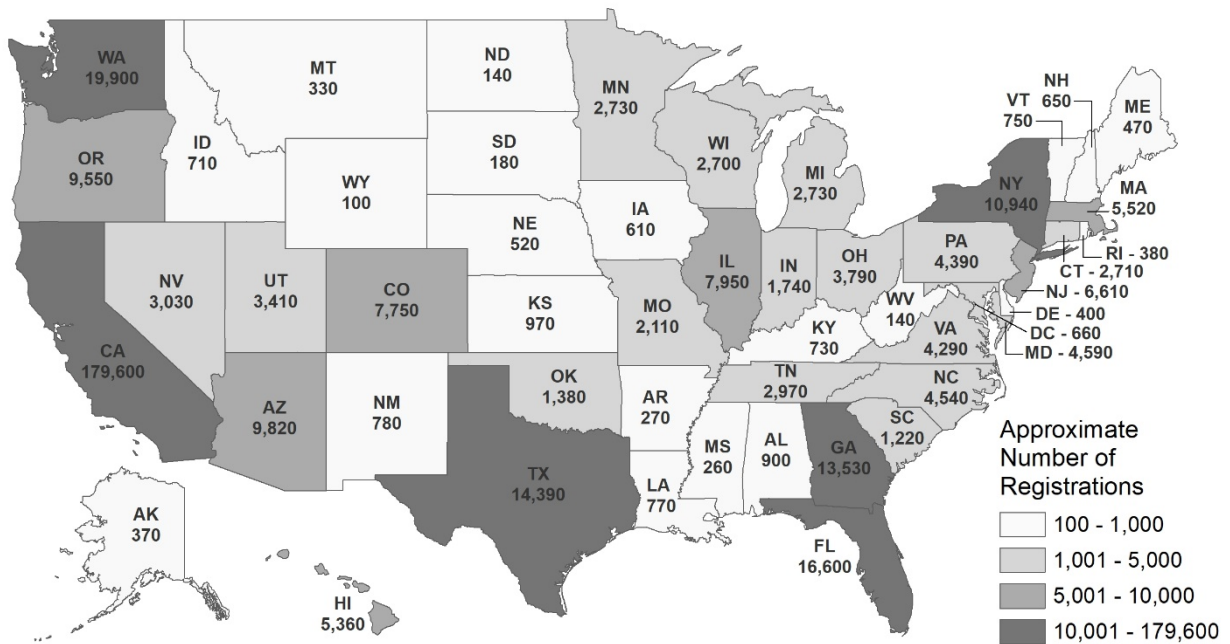
In 2019, MidAmerican Energy Company began offering a \$500 [rebate](#) for consumers who purchase an EV in Iowa. More information on incentives offered for EVs is available in the National Conference of State Legislatures (NCSL) report on [State Efforts To Promote Hybrid and Electric Vehicles](#) as well as the United States Department of Energy's [Alternative Fuels Data Center](#).

National Sales of EV and PHEV Vehicles



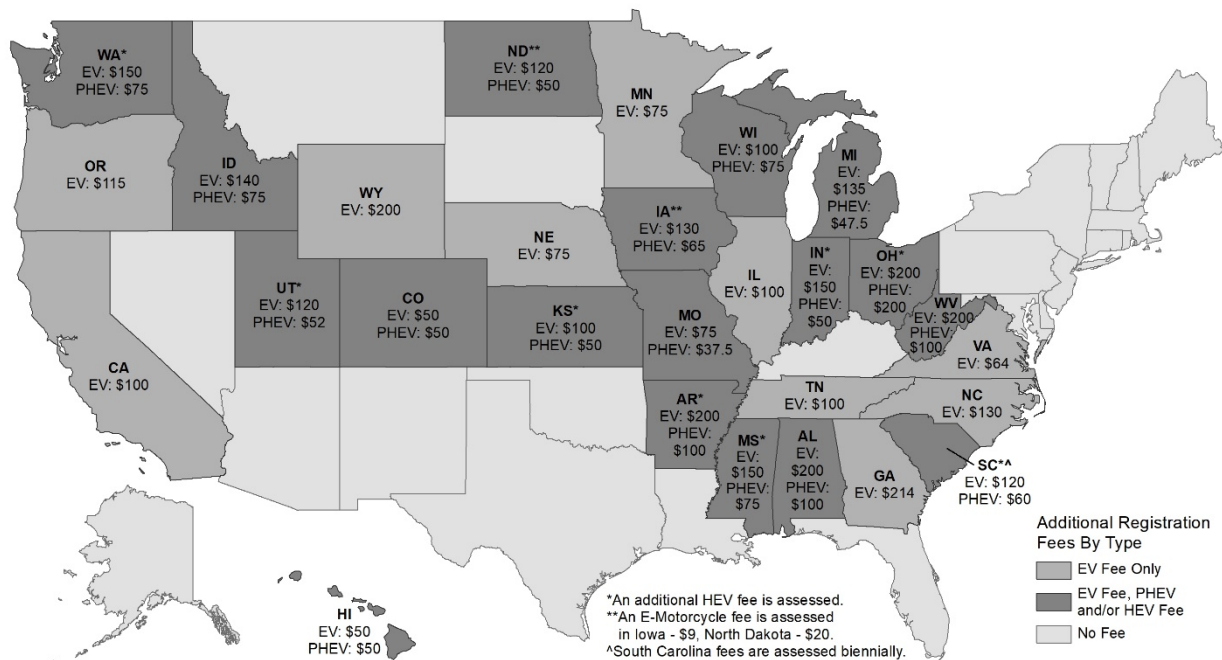
As electric vehicle sales increase, states have explored alternatives for capturing revenue lost from reduced payment of motor fuel excise taxes. As of September 2019, 28 states have enacted legislation adding additional vehicle registration fees for EVs. Eight of those states — Alabama, Arkansas, Illinois, **Iowa**, Kansas, North Dakota, Ohio, and Wyoming — enacted or updated EV or HEV legislation in 2019. See **Attachment A** for a summary version of EV legislation passed by state by year. These additional vehicle registration fees range from \$30 to \$214 per year. The map and charts on the following pages show EV and HEV registration fees by state. Please note that the fees listed in the map and charts are in addition to any annual registration fees for each vehicle, except for in Kansas. Since September 2017, 12 state legislatures have passed laws regarding registration fees on EVs.

Approximate Plug-in Electric Vehicle (PEV) Registrations by State — 2017



Source: National Renewable Energy Lab (NREL) derived data from IHS Markit on light-duty vehicle registrations in 2017.

Additional EV and Hybrid Vehicle Registration Fees by State — 2019



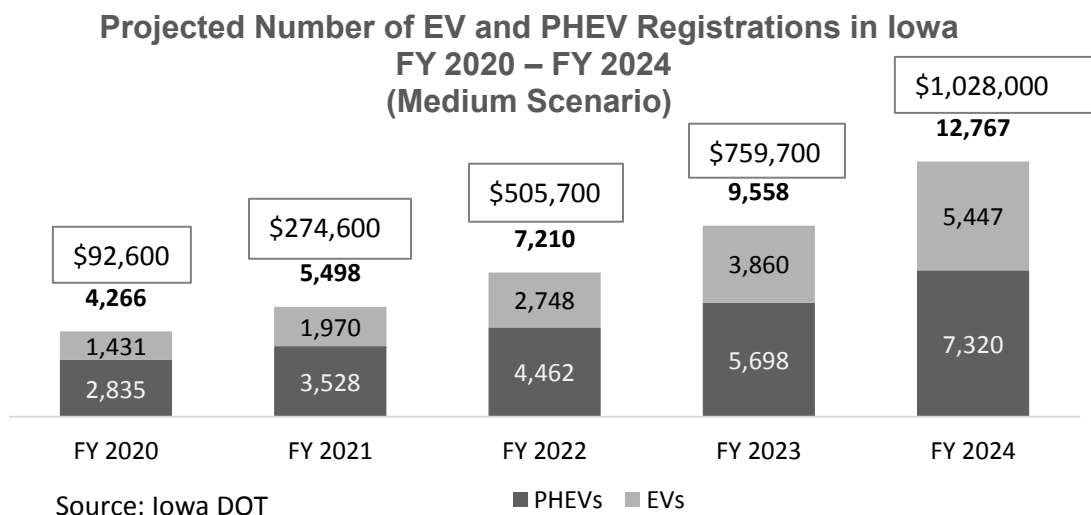
Source: American Road & Transportation Builders Association's Transportation Investment Advocacy Center; Alternative Fuels Data Center.

Legislation from 2019

Nine states passed legislation for additional EV registration fees in 2019, bringing the total number of states that have additional fees to 28. Of those nine states, three included additional HEV fees in their legislation. Two of the states, Washington and Wyoming, increased their previously established registration fees. The fiscal impact for each state varies due to the estimated number of vehicles impacted.

EV, PHEV, and HEV Fees

Out of the 28 states that have additional registration fees for EVs, 18 include annual fees for PHEVs and 8 include an HEV fee. Some states may not consider HEV fees due to the wide range in fuel economy of hybrid vehicles. Kansas, for example, treats all hybrids alike for registration fee purposes. Ohio, on the other hand, charges the same fee for EVs and PHEVs but includes a different fee for HEVs. **Iowa** implemented separate fees for EVs and PHEVs but not HEVs.



SUMMARY

Iowa's registered vehicles and out-of-state vehicles will contribute an estimated \$1.665 billion to the RUTF and TIME-21 Fund in FY 2020. Of that total, an estimated \$649.4 million will be from motor fuel excise taxes. As stated, fuel tax revenues lost from potential EVs and PHEVs amount to less than 0.1% of all fuel taxes. EV and HEV registration fees are increasingly utilized by states as a way to offset lost fuel taxes from these vehicles. Revenue generated can vary, as fleet numbers of both EVs and HEVs range widely among states.

For comparison, **Table 3** compares four vehicles with somewhat similar registration fees for fuel tax revenue or additional registration fee for PHEVs and EVs. These are estimated based on **Table 2** assumptions. The DOT vehicle report is based on DOT examples from its 2018 [report](#).

Table 2

Assumptions	
Miles Per Year	11,500
Type of Miles Per Gallon	All Highway
Tax Per Gallon	\$ 0.295
EV	
Charging Outside Home	15%
Tax Per kWh	\$ 0.026
Additional Fee	\$ 130.00
PHEV	
Charging Outside Home	15%
Tax Per kWh	\$ 0.026
Additional Fee	\$ 65
PHEV Driving	55%
Gasoline Driving	45%
PHEV Miles	6,325
Gasoline Miles	5,175

Table 3

Example of Fuel Tax/Fuel Tax Replacement Fees after July 1, 2023						
Vehicles	Gasoline	Gasoline	HEV	PHEV	EV	
Car	DOT Report**	Honda Accord 2019	Honda Accord Hybrid 2019	Toyota Prius Prime 2019	Nissan Leaf 2019	
List Price**		\$ 30,200.00	\$ 31,800.00	\$ 33,400.00	\$ 30,000.00	
Weight (lbs)**		3,200	3,400	3,400	3,500	
Registration Fee**	\$ -	\$ 315	\$ 332	\$ 348	\$ 314	
Additional Fee	\$ -	\$ -	\$ -	\$ 65.00	\$ 130.00	
Highway MPG	22	38	48	53		
Gallons Used	523	303	240	98		
Gas Tax	\$ 154.20	\$ 89.28	\$ 70.68	\$ 28.80	\$ -	
Highway kWh/100 miles					28	30
kWh tax				\$ 0.026	\$ 0.026	
kWh used				266	517.5	
kWh tax paid	\$ -	\$ -	\$ -	\$ 6.91	\$ 13.46	
Total Paid in Fuel						
Tax/Fuel Tax	\$ 154.20	\$ 89.28	\$ 70.68	\$ 100.71	\$ 143.46	
Replacement						
* From DOT, industry average for light duty vehicles (includes cars, SUVs, passenger vehicles such as pickups, etc.)						
^Combined MPG						
**DOT ARTS Registration Fee Estimator						

Attachment A**Annual Registration Fee by State**

State	EV	PHEV	HEV	Year Passed
MO	\$ 75	\$ 38		1998
NE	\$ 75			2011
WA	\$ 150	\$ 75	\$ 75	2012
CO	\$ 50	\$ 50		2013
NC	\$ 130			2013
VA	\$ 64			2014
GA	\$ 214			2015
ID	\$ 140	\$ 75		2015
MI	\$ 135	\$ 48		2015
CA	\$ 100			2017
IN	\$ 150	\$ 50	\$ 50	2017
MN	\$ 75			2017
OR	\$ 115			2017
SC*	\$ 120	\$ 60	\$ 60	2017
TN	\$ 100			2017
WI	\$ 100	\$ 75		2017
WV	\$ 200	\$ 100		2017
MS	\$ 150	\$ 75	\$ 75	2018
UT	\$ 120	\$ 52	\$ 20	2018
AL	\$ 200	\$ 100		2019
AR	\$ 200	\$ 100	\$ 100	2019
HI	\$ 50	\$ 50		2019
IA	\$ 130	\$ 65		2019
IL	\$ 100			2019
KS	\$ 100	\$ 50	\$ 50	2019
ND	\$ 120	\$ 50		2019
OH	\$ 200	\$ 200	\$ 100	2019
WY	\$ 200			2019
Median	\$ 120	\$ 59	\$ 63	
Average	\$ 125	\$ 71	\$ 63	
* South Carolina Fee is Biennial.				
Median and Average are based on annualizing SC fee.				

Sources: American Road & Transportation Builders Association's Transportation Investment Advocacy Center; Alternative Fuels Data Center

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FISCAL TOPICS

Fiscal Services Division

December 29, 2017



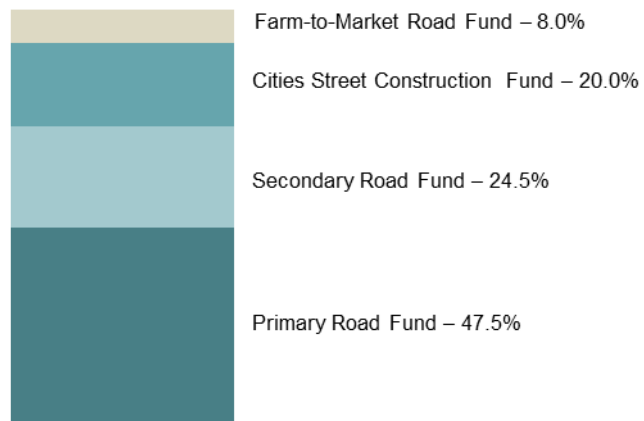
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Statutory Off-the-Top Allocations from the Road Use Tax Fund — FY 2017

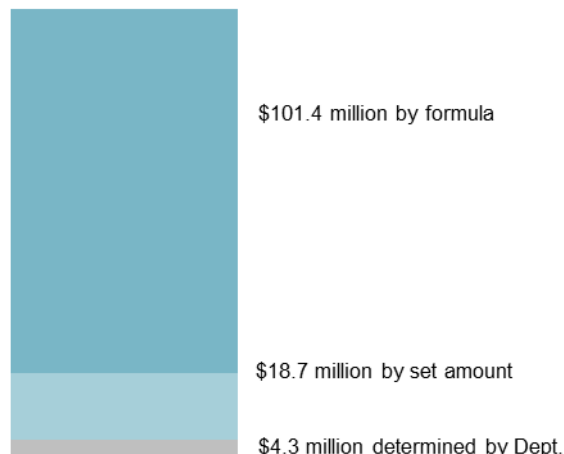
This **Fiscal Topic** will examine the statutory allocations from the Road Use Tax Fund (RUTF) in FY 2017. The RUTF is the main collection point for road funding revenue in Iowa. Revenue deposited in the RUTF is distributed to four different road funds by formula set out in Iowa Code section [312.2](#), as displayed on the right.



Prior to distribution, some revenue is diverted to the TIME-21 Fund,¹ off-the-top statutory allocations, and appropriations² which reduce the funds available for distribution. Off-the-top statutory allocations are distributed by Code. There are a total of 18 separate allocations that are:

- Static amounts set in Code.
- Amounts based upon formula.
- Amounts based upon Department requirements.

In FY 2017, a total of \$124.4 million in off-the-top statutory allocations were distributed, as displayed on the right.



¹ The TIME-21 Fund was created in 2008. The TIME-21 Fund receives all annual vehicle registration fees in excess of \$392 million, along with increases in trailer registration fees, and title and salvage title fee increases per Iowa Code ch. [312A](#). In FY 2017, the TIME-21 Fund collected \$210.2 million in revenue.

² In FY 2017, there was a total of \$52.9 million in appropriations.

More Information

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The following table briefly describes each allocation and amount for FY 2017.

Allocated to:	FY 2017	Formula	Year Enacted
Commercial and Industrial Network (CIN) Allocation to the Primary Road Fund (PRF) for construction and maintenance on the CIN. The Network consists of highways within the primary road system that meet certain standards determined by the DOT Commission. The purpose of the Network is to enhance the State's economy through an improved flow of commerce and safer travel and to better connect Iowa with regional, national, and international markets.	\$36.0 million	10.0% of total new registration fees collected.	1989
Revitalize Iowa's Sound Economy (RISE) Supports the RISE program. RISE funds are divided between the DOT, counties, and cities for road projects that support economic development. (Iowa Code ch. 315).	State: \$24.2 million County: \$6.1 million City: \$12.1 million	1.75 cents per gallon to RISE DOT: 1.0 cent Counties: 0.25 cent Cities: 0.50 cent Iowa Code section 312.2 (9)	1985
Secondary Road Fund Allocation to the Secondary Road Fund to correct imbalances in the RISE Fund. When RISE was created, the DOT received one cent of Motor Fuel Excise Tax, and both counties and cities received half of one cent of excise tax. RISE funding for counties exceeded demand, and this allocation redirects one half of the previous portion of county RISE funds directly to the Secondary Road Fund.	\$6.1 million	An amount equal to 0.25 cent per gallon of motor fuel excise tax. • Iowa Code section 312.2 (10)	1989
Parks and Institutional Roads Appropriation to the DOT to support the construction and maintenance of State-owned roads. The Transportation Commission approves State agency requests to build and maintain roadways and bridges on State-owned land. In 2015, this allocation supported an estimate 600 miles of roads.	\$9.6 million	An amount equal to 0.65% of all RUTF receipts. • Iowa Code section 312.2 (2)	1978
Traffic Safety Projects Funds the Traffic Safety Improvement Program (TSIP) administered by the DOT. The TSIP provides grants to cities and counties for safety improvement projects. Applications are made for one of three categories: site-specific construction improvement, traffic control devices, and research or public information.	\$7.4 million	An amount equal to 0.5% of all RUTF receipts. • Iowa Code section 312.2 (11)	1987
Primary Road Fund Allocation to the PRF enacted to offset the impact of reduced funds to the PRF due to changes to the distribution formula and off-the-top appropriations in the 1977 and 1979 legislative sessions.	\$7.1 million	\$7.1 million per year. • Iowa Code section 312.2 (4)	1978
Primary Road Fund Allocation to the PRF enacted to compensate for increased highway wear associated with higher truck weight limits.	\$4.4 million	\$4.4 million per year. • Iowa Code section 312.2 (7)	1980
Secondary and Urban Expenses Allocation to the PRF to pay expenses incurred by the DOT for services to county and city jurisdictions, excluding primary road extensions in cities.	\$500,000	\$500,000 per year. • Iowa Code section 312.2 (2)	1958

Allocated to:	FY 2017	Formula	Year Enacted
Farm-to-Market Fund Allocation to the Farm-to-Market Road Fund to compensate for increased highway wear associated with higher truck weight limits.	\$1.5 million	\$1.5 million per year. • Iowa Code section 312.2 (7)	1980
<u>Living Roadway Trust Fund</u> Allocation to the Living Roadway Trust Fund to develop roadside vegetation to act as natural windbreaks, wildlife habitat, and roadside erosion control. The Fund is created in Iowa Code section 314.21 , and funding is allocated as follows: 56.0% to the DOT, 30.0% to counties, and 14.0% to cities.	\$100,000 \$150,000	Two allocations of \$100,000 and \$150,000 per year. • Iowa Code section 312.2 (6) • Iowa Code section 312.2 (8)	1989
<u>Railroad Crossing Surface Repair Fund</u> Funds railroad companies and highway jurisdictions in repairing railroad crossings surfaces. Projects are intended to maintain a safe and smooth intersection.	\$900,000	\$900,000 per year. • Iowa Code section 312.2 (2)	1978
<u>Railroad Crossing Safety Fund</u> Funds railroad companies in maintaining crossing signals installed since 1973.	\$700,000	\$700,000 per year. • Iowa Code section 312.2 (2)	1958
<u>Secondary Bridge Fund</u> Allocation to the County Bridge Construction Fund for construction and reconstruction of county bridges.	\$2.0 million	\$2.0 million per year. • Iowa Code section 312.2 (12)	1989
<u>City Bridge Fund</u> Allocation to the City Bridge Fund to support the construction and maintenance of city bridges.	\$500,000	\$500,000 per year. • Iowa Code section 312.2 (12)	1990
Driver's License Suspension Personal Delivery of Service Funds the cost associated with the personal delivery of driver's license suspension notices by law enforcement officers.	\$225,000	An allocation of \$225,000 or enough to fund the cost of personal delivery of driver's license suspension notices by law enforcement officers. • Iowa Code section 321.211	1978
County Treasurer's Equipment (Reg. & Licenses) Supports automation and telecommunications equipment and support for vehicle registration and titling, and driver licensing at county treasurer's offices.	\$650,000	\$650,000 per year. • Iowa Code section 312.2 (13)	1991
License Plate Production Authorizes funds sufficient to pay the costs for purchasing certificates of title and registration forms, supplies, materials, and prison labor used in the manufacture of license plates, emblems, and validation stickers.	\$4.1 million	An allocation sufficient to pay the costs of producing license plates. • Iowa Code section 312.2 (3)	1973
Fuel Tax Refunds Transfer to the Iowa Department of Revenue to reimburse General Fund expenditures for income and sales tax refunds to individuals and corporations.	\$204,000	• Iowa Code section 422.110 through 422.112 .	

Infrastructure Section

Analysis of the Governor's Budget Recommendations

The following section contains the Governor's FY 2021 Recommendations for the Infrastructure Appropriations Act.

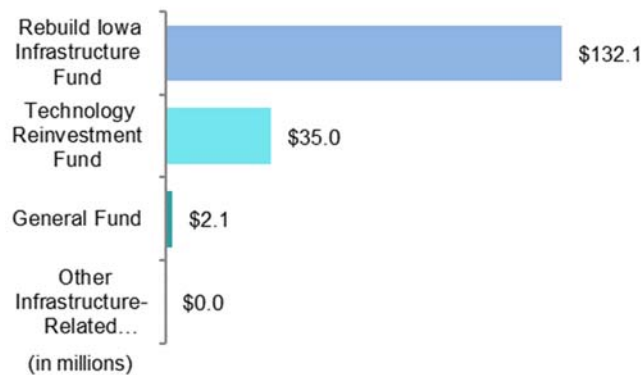
INFRASTRUCTURE

Overview and Funding History

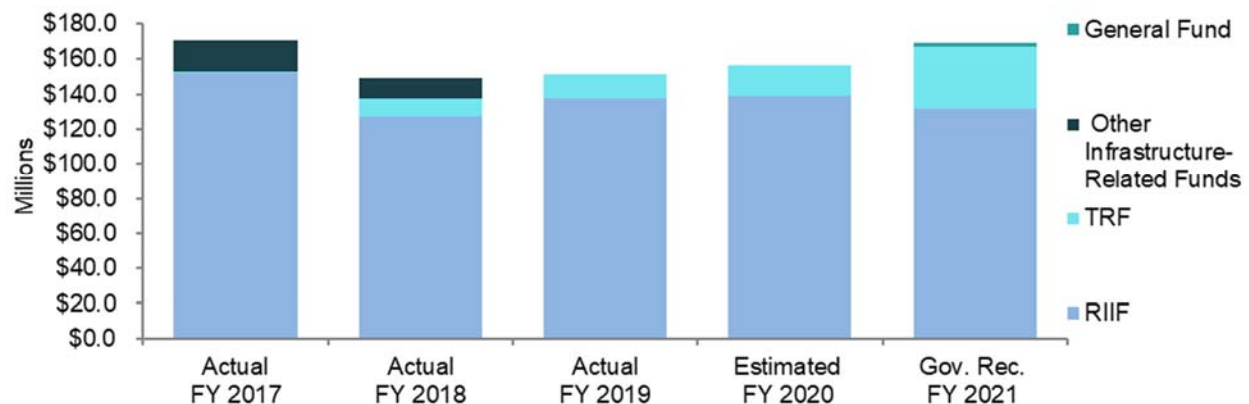
Infrastructure Overview: Primary infrastructure funding sources for FY 2021 include the Rebuild Iowa Infrastructure Fund (RIIF) and the Technology Reinvestment Fund (TRF). The RIIF is principally funded from wagering taxes paid to the State after specific allocations in accordance with Iowa Code section 8.57. Generally, wagering tax revenue comprises 75.00% to 85.00% of the revenue deposited in the RIIF. By statute, the TRF receives a standing appropriation of \$17,500,000 from the General Fund. However, the Governor is recommending the TRF receive \$35,000,000 from the RIIF. Over the past several years, the TRF has received funding from the RIIF rather than the General Fund. The last time the TRF received funding from the General Fund was FY 2015. For FY 2021, the Governor is also recommending an appropriation of \$2,071,794 from the General Fund.

FY 2021 Governor's Recommendations

Total: \$167,074,505



Funding History



General Fund Recommendations

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
<u>Telecommunications and Tech Commission</u>				
Iowa Communications Network				
Firewall & Distributed Denial of Service (DDoS) Mitigation	\$ 0	\$ 0	\$ 2,071,794	\$ 2,071,794
Total Telecommunications and Tech Commission	\$ 0	\$ 0	\$ 2,071,794	\$ 2,071,794

Governor's Recommendations FY 2021 — Significant Changes

Iowa Communications Network (ICN) \$2,071,794

Firewall and Distributed Denial of Service (DDoS) Mitigation: *The Governor is recommending an appropriation of \$2,071,794 to the ICN to provide a firewall that will mitigate DDoS threats. A DDoS attack occurs when a malicious entity sends more traffic to a network than the network can handle in order to overload it. This results in a web server becoming flooded with traffic, causing web-based services to become unavailable to the online visitors.*

Other Fund Recommendations

Unless otherwise noted, funds appropriated as shown in the following table are from the RIIF. Funding sources are denoted by an acronym at the end of the appropriation name. Funds also include the TRF.

The table below reflects total recommended appropriations of \$167,074,505 which include \$132,080,206 from the RIIF and \$34,994,299 from the TRF. The total for the RIIF does not reflect the \$22,320,000 appropriation from the RIIF for the Environment First Fund (EFF). The RIIF balance sheet will reflect recommended appropriations of \$189,400,206. The table on the following pages includes all infrastructure appropriations from the RIIF and TRF. See **Appendix F** for the balance sheets for each of the funds, which list the Governor's recommendations for projects from those funds.

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
Administrative Services Capitals				
Administrative Services - Capitals				
Major Maintenance - RIIF	\$ 24,500,000	\$ 20,000,000	\$ 20,000,000	\$ 0
Routine Maintenance (Standing) - RIIF	2,000,000	2,000,000	2,000,000	0
DGS Capitol Complex Security - RIIF	0	0	250,000	250,000
Total Administrative Services Capitals	\$ 26,500,000	\$ 22,000,000	\$ 22,250,000	\$ 250,000
Agriculture and Land Stewardship, Dept of				
Agriculture and Land Stewardship				
Water Quality Initiative - RIIF	\$ 5,200,000	\$ 5,200,000	\$ 2,600,000	\$ -2,600,000
Ag Drainage Wells - RIIF	1,875,000	0	0	0
Renewable Fuels Infra Fund - RIIF	3,000,000	3,000,000	5,000,000	2,000,000
Total Agriculture and Land Stewardship, Dept of	\$ 10,075,000	\$ 8,200,000	\$ 7,600,000	\$ -600,000
Chief Information Officer, Office of the				
Chief Information Officer, Office of the				
IT Consolidation - TRF	\$ 1,000,000	\$ 1,000,000	\$ 0	\$ -1,000,000
Data Center Replacement - TRF	0	0	400,000	400,000
Workday System - TRF	0	0	20,889,000	20,889,000
Broadband - RIIF	1,300,000	0	0	0
Total Chief Information Officer, Office of the	\$ 2,300,000	\$ 1,000,000	\$ 21,289,000	\$ 20,289,000
Corrections Capitals				
Corrections Capitals				
DOC Capitals Request - RIIF	\$ 0	\$ 150,000	\$ 4,000,000	\$ 3,850,000
DOC Technology - TRF	0	629,000	500,000	-129,000
Total Corrections Capitals	\$ 0	\$ 779,000	\$ 4,500,000	\$ 3,721,000
Cultural Affairs, Department of				
Cultural Affairs, Dept. of				
Great Places Infrastructure Grants - RIIF	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 0
YMCA Strengthen Community Grants - RIIF	250,000	250,000	250,000	0
Total Cultural Affairs, Department of	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 0

Other Fund Recommendations continued

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
<u>Economic Development Authority</u>				
Economic Development Authority				
Community Attraction & Tourism Grants - RIIF	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 0
Regional Sports Authorities - RIIF	500,000	500,000	500,000	0
World Food Prize Borlaug/Ruan Scholar - RIIF	300,000	300,000	0	-300,000
Lewis & Clark Rural Water System - RIIF	4,750,000	0	1,750,000	1,750,000
Vacant State Bldgs Rehab Fund - RIIF	0	1,000,000	1,000,000	0
Vacant State Bldg Demolition Fund - RIIF	0	1,000,000	1,000,000	0
National Junior Olympics - RIIF	250,000	0	0	0
Gas Pipeline - RIIF	250,000	0	0	0
Iowa Independence Innovation Center- RIIF	0	200,000	800,000	600,000
Total Economic Development Authority	\$ 11,050,000	\$ 8,000,000	\$ 10,050,000	\$ 2,050,000
<u>Education, Department of</u>				
Education, Dept. of				
Statewide Ed Data Warehouse - TRF	\$ 600,000	\$ 600,000	\$ 0	\$ -600,000
ICN Part III Leases & Maintenance - TRF	2,727,000	2,727,000	0	-2,727,000
Education, Dept. of	\$ 3,327,000	\$ 3,327,000	\$ 0	\$ -3,327,000
Iowa PBS				
Iowa PBS Equipment Replacement - TRF	\$ 500,000	\$ 500,000	\$ 1,000,000	\$ 500,000
Total Education, Department of	\$ 3,827,000	\$ 3,827,000	\$ 1,000,000	\$ -2,827,000
<u>Ethics and Campaign Disclosure Board, Iowa</u>				
Campaign Finance Disclosure				
Electronic Filing - TRF	\$ 0	\$ 0	\$ 500,000	\$ 500,000
Total Ethics and Campaign Disclosure Board, Iowa	\$ 0	\$ 0	\$ 500,000	\$ 500,000
<u>General Assembly Capitals</u>				
Legislature-Capitals				
State Capitol Maintenance Fund - RIIF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Total General Assembly Capitals	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
<u>Homeland Security and Emergency Mgmt</u>				
Homeland Security & Emergency Mgmt				
Mass Notification & Emer Messaging - TRF	\$ 400,000	\$ 400,000	\$ 400,000	\$ 0
Total Homeland Security and Emergency Mgmt	\$ 400,000	\$ 400,000	\$ 400,000	\$ 0
<u>Human Rights, Department of</u>				
Human Rights, Dept. of				
Criminal Justice Info System (CJIS) - TRF	\$ 1,200,000	\$ 1,200,000	\$ 1,400,000	\$ 200,000
Justice Data Warehouse - TRF	157,980	157,980	157,980	0
Total Human Rights, Department of	\$ 1,357,980	\$ 1,357,980	\$ 1,557,980	\$ 200,000
<u>Human Services, Department of</u>				
Assistance				
Nursing Facility Construction/Impr - RIIF	\$ 500,000	\$ 500,000	\$ 0	\$ -500,000
ChildServe - RIIF	500,000	0	1,000,000	1,000,000
Total Human Services, Department of	\$ 1,000,000	\$ 500,000	\$ 1,000,000	\$ 500,000

Other Fund Recommendations continued

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
Human Services Capitals				
Human Services - Capitals				
ADA Capitals - RIIF	\$ 0	\$ 0	\$ 596,500	\$ 596,500
Medicaid Technology - TRF	636,000	1,228,535	1,979,319	750,784
FACS System Replacement - TRF	0	5,525,660	0	-5,525,660
Total Human Services Capitals	\$ 636,000	\$ 6,754,195	\$ 2,575,819	\$ -4,178,376
Inspections and Appeals, Department of				
Inspections and Appeals, Dept. of				
Electronic Case Management System - TRF	\$ 0	\$ 0	\$ 850,000	\$ 850,000
Public Defender				
Online Claims Development - TRF	\$ 88,800	\$ 50,000	\$ 0	\$ -50,000
Total Inspections and Appeals, Department of	\$ 88,800	\$ 50,000	\$ 850,000	\$ 800,000
Iowa Finance Authority				
Iowa Finance Authority				
State Housing Trust Fund (STND) - RIIF	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 0
State Housing Trust Fund - RIIF	0	50,000	0	-50,000
Total Iowa Finance Authority	\$ 3,000,000	\$ 3,050,000	\$ 3,000,000	\$ -50,000
Judicial Branch				
Judicial Branch				
Technology Projects - TRF	\$ 3,000,000	\$ 0	\$ 0	\$ 0
County Courthouse Technology - TRF	0	0	163,000	163,000
Total Judicial Branch	\$ 3,000,000	\$ 0	\$ 163,000	\$ 163,000
Judicial Branch Capitals				
Judicial Branch Capitals				
Judicial Building Improvements -RIIF	\$ 0	\$ 0	\$ 400,000	\$ 400,000
Polk County Justice Center - RIIF	1,464,705	0	0	0
Justice Center Furniture & Equip - RIIF	0	193,620	211,455	17,835
Total Judicial Branch Capitals	\$ 1,464,705	\$ 193,620	\$ 611,455	\$ 417,835
Law Enforcement Academy				
Iowa Law Enforcement Academy				
ILEA Facility Remodel - RIIF	\$ 1,449,938	\$ 10,826,911	\$ 830,000	\$ -9,996,911
ILEA Technology Projects - TRF	0	15,000	400,000	385,000
Total Law Enforcement Academy	\$ 1,449,938	\$ 10,841,911	\$ 1,230,000	\$ -9,611,911
Management, Department of				
Management, Dept. of				
Searchable Online Databases - TRF	\$ 45,000	\$ 45,000	\$ 45,000	\$ 0
Iowa Grants Mgmt Implementation - TRF	70,000	50,000	70,000	20,000
Local Gov't Budget & Property Tax System - TRF	600,000	120,000	624,000	504,000
Total Management, Department of	\$ 715,000	\$ 215,000	\$ 739,000	\$ 524,000
Natural Resources, Department of				
Natural Resources				
Air Quality Application Sys. - TRF	\$ 954,000	\$ 0	\$ 0	\$ 0
Water Trails Low Head Dam Prog. - RIIF	500,000	500,000	0	-500,000
Derelict Buildings Program - RIIF	0	0	400,000	400,000
Total Natural Resources, Department of	\$ 1,454,000	\$ 500,000	\$ 400,000	\$ -100,000

Other Fund Recommendations continued

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
Natural Resources Capitals				
Natural Resources Capitals				
Lake Restoration & Water Quality - RIIF	\$ 9,600,000	\$ 9,600,000	\$ 4,800,000	\$ -4,800,000
State Park Infrastructure - RIIF	2,000,000	2,000,000	1,000,000	-1,000,000
Total Natural Resources Capitals	\$ 11,600,000	\$ 11,600,000	\$ 5,800,000	\$ -5,800,000
Parole, Board of				
Parole Board				
Technology Projects - TRF	\$ 50,000	\$ 0	\$ 0	\$ 0
Total Parole, Board of	\$ 50,000	\$ 0	\$ 0	\$ 0
Public Defense Capitals				
Public Defense Capitals				
Facility/Armory Maintenance - RIIF	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 0
Modernization of Readiness Ctrs - RIIF	1,000,000	1,000,000	1,000,000	0
Camp Dodge Infrastructure Upgrades - RIIF	250,000	250,000	250,000	0
Total Public Defense Capitals	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 0
Public Health, Department of				
Public Health, Dept. of				
State Medical Examiner Office - TRF	\$ 0	\$ 0	\$ 395,000	\$ 395,000
Medical Cannabidiol Registry - TRF	350,000	0	0	0
Consolidate AMANDA Instances - TRF	0	796,800	0	-796,800
Total Public Health, Department of	\$ 350,000	\$ 796,800	\$ 395,000	\$ -401,800
Public Safety, Department of				
Public Safety, Dept. of				
State Interop. Comm. System - RIIF	\$ 1,351,666	\$ 3,719,355	\$ 3,960,945	\$ 241,590
DPS Equipment Projects - RIIF	740,000	0	0	0
Ballistic Vests - RIIF	0	0	467,500	467,500
Bomb Suits - RIIF	0	0	384,000	384,000
Criminal History Record System - TRF	0	0	800,000	800,000
Total Public Safety, Department of	\$ 2,091,666	\$ 3,719,355	\$ 5,612,445	\$ 1,893,090
Public Safety Capitals				
Public Safety Capitals				
DPS Technology Projects - TRF	\$ 125,000	\$ 0	\$ 0	\$ 0
Radio Communication Upgrades - TRF	860,000	0	0	0
Lab Information Mgmt System - TRF	0	300,000	0	-300,000
Virtual Storage Archival System - TRF	0	290,000	0	-290,000
DCI Lab Evidence Mgmt System - TRF	0	80,000	0	-80,000
ISP Aircraft - RIIF	0	0	3,426,340	3,426,340
DCI Lab Spectrometer - RIIF	0	325,000	0	-325,000
Explosives Trace Detectors - RIIF	0	29,000	0	-29,000
Post 16 Technology Upgrade - TRF	0	250,000	0	-250,000
Total Public Safety Capitals	\$ 985,000	\$ 1,274,000	\$ 3,426,340	\$ 2,152,340
Regents, Board of				
Regents, Board of				
Regents Tuition Replacement - RIIF	\$ 31,471,292	\$ 28,098,870	\$ 28,268,466	\$ 169,596
Total Regents, Board of	\$ 31,471,292	\$ 28,098,870	\$ 28,268,466	\$ 169,596

Other Fund Recommendations continued

	Actual FY 2019 (1)	Estimated FY 2020 (2)	Gov Rec FY 2021 (3)	Gov Rec vs Est FY 2020 (4)
Regents Capitals				
Regents Capitals				
ISU - Biosciences Building - RIIF	\$ 4,000,000	\$ 0	\$ 0	\$ 0
UI - Pharmacy Building Renovation - RIIF	5,500,000	0	0	0
ISU - Student Innovation Center - RIIF	6,000,000	7,000,000	10,000,000	3,000,000
ISU - College of Veterinary Medicine - RIIF	1,000,000	12,500,000	12,500,000	0
ISD - Long Hall Renovation - RIIF	0	3,000,000	1,325,000	-1,675,000
UNI - Industrial Tech Center - RIIF	0	0	1,000,000	1,000,000
Total Regents Capitals	\$ 16,500,000	\$ 22,500,000	\$ 24,825,000	\$ 2,325,000
Revenue, Department of				
Revenue, Dept. of				
Tax System Modernization - TRF	\$ 0	\$ 0	\$ 3,000,000	\$ 3,000,000
Total Revenue, Department of	\$ 0	\$ 0	\$ 3,000,000	\$ 3,000,000
Secretary of State, Office of the				
Secretary of State				
Voter Registration System Update - TRF	\$ 1,050,000	\$ 2,100,000	\$ 1,400,000	\$ -700,000
Total Secretary of State, Office of the	\$ 1,050,000	\$ 2,100,000	\$ 1,400,000	\$ -700,000
State Fair Authority Capitals				
State Fair Authority Capitals				
NW Events Area - RIIF	\$ 8,500,000	\$ 0	\$ 0	\$ 0
Renovation of 4-H Building - RIIF	0	500,000	4,500,000	4,000,000
Historical Building Task Force - RIIF	0	500,000	0	-500,000
Total State Fair Authority Capitals	\$ 8,500,000	\$ 1,000,000	\$ 4,500,000	\$ 3,500,000
Transportation, Department of				
Transportation, Dept. of				
Recreational Trails Grants - RIIF	1,000,000	1,500,000	0	-1,500,000
Public Transit Infra Grants - RIIF	1,500,000	1,500,000	1,500,000	0
Railroad Revolving Loan & Grant - RIIF	1,000,000	1,000,000	1,000,000	0
Commercial Aviation Infra Grants - RIIF	1,500,000	1,900,000	1,500,000	-400,000
General Aviation Infra Grants - RIIF	700,000	1,000,000	1,000,000	0
Total Transportation, Department of	\$ 5,700,000	\$ 6,900,000	\$ 5,000,000	\$ -1,900,000
Treasurer of State, Office of				
Treasurer of State				
County Fair Improvements - RIIF	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 0
Total Treasurer of State, Office of	\$ 1,060,000	\$ 1,060,000	\$ 1,060,000	\$ 0
Veterans Affairs, Department of				
Veterans Affairs, Dept. of				
DVA Fire/Energy/ADA Improvements - RIIF	\$ 0	\$ 0	\$ 50,000	\$ 50,000
Technology Equipment - TRF	0	5,000	21,000	16,000
Total Veterans Affairs, Department of	\$ 0	\$ 5,000	\$ 71,000	\$ 66,000
Veterans Affairs Capitals				
Veterans Affairs Capitals				
Mech & Electrical Dist Systems - RIIF	\$ 0	\$ 6,134,840	\$ 0	\$ -6,134,840
Total Veterans Affairs Capitals	\$ 0	\$ 6,134,840	\$ 0	\$ -6,134,840

Rebuild Iowa Infrastructure Fund**Current Law RIIF Appropriations**

Under current law, \$99,625,000 in previously enacted and standing appropriations is funded from the RIIF for FY 2021. Standing appropriations are established in the Iowa Code and are funded each year unless the General Assembly decides to amend the appropriation for that year. The standing appropriations are listed below.

FY 2021 Standing Appropriations

Environment First Fund — This standing appropriation provides funding to the Agriculture and Natural Resources Subcommittee, which appropriates budgets for the Department of Agriculture and Land Stewardship and the Department of Natural Resources. <u>The Governor is recommending reducing this appropriation to \$22,320,000 in FY 2021.</u>	\$42,000,000
Iowa Finance Authority State Housing Trust Fund — This appropriation funds low-income housing through two programs: the Local Housing Trust Fund Program and the Project-Based Housing Program.	\$3,000,000
Department of Administrative Services Routine Maintenance — This appropriation funds routine maintenance expenditures for buildings on the Capitol Complex occupied by the Department of Corrections (DOC), the Department of Human Services (DHS), and other State agencies.	\$2,000,000
Legislative Branch State Capitol Maintenance Fund — This funding is intended to maintain the Iowa State Capitol Building and the Ola Babcock Miller Building. The funding is under the authority of the Legislative Council.	\$500,000

In addition, several multiyear projects are receiving funding in FY 2021. These projects are described in greater detail below.

Appropriations Previously Enacted FY 2017 – FY 2024

In addition to the standing appropriations listed above, the General Assembly has enacted the following appropriations. Bolded years will be funded in FY 2021 and beyond.

Department of Administrative Services			
Major Maintenance — The General Assembly appropriated a total of \$104,500,000 for major maintenance over five years. The Department has developed a plan to allocate this funding as it becomes available. Additional explanation is under Discussion Items.	FY 2019	\$24,500,000	
	FY 2020	\$20,000,000	
	FY 2021	\$20,000,000	
	FY 2022	\$20,000,000	
	FY 2023	\$20,000,000	
Economic Development Authority			
Vacant State Buildings Rehabilitation — The Vacant State Buildings Rehabilitation Fund was established in the 2019 Legislative Session to provide loans to rehabilitate or redevelop vacant buildings owned by the State that are no longer used for a State purpose.	FY 2020	\$1,000,000	
	FY 2021	\$1,000,000	
	FY 2022	\$1,000,000	
Vacant State Buildings Demolition — The Vacant State Buildings Demolition Fund was established in the 2019 Legislative Session to fund a grant program for the demolition of vacant buildings that are owned by the State and are no longer used for a State purpose.	FY 2020	\$1,000,000	
	FY 2021	\$1,000,000	
	FY 2022	\$1,000,000	

Iowa Independence Innovation Center — This funding is part of a \$3,500,000 campaign to update facilities at Camp Sunnyside. The funding is intended to create an emergency respite house, programming space for transition-age youth with appropriate supports for young adults, updates to counselor sleeping quarters, and bathroom accessibility changes.	FY 2020	\$200,000
	FY 2021	\$800,000
Board of Regents		
ISU Veterinary Diagnostic Laboratory (VDL) — This appropriation will support the construction of a new VDL. The ISU VDL is the State of Iowa's official veterinary diagnostic laboratory and is the only fully accredited and full-service veterinary diagnostic laboratory in Iowa. This facility houses the Department of Veterinary Diagnostic and Production Animal Medicine at the College of Veterinary Medicine at ISU.	FY 2019	\$1,000,000
	FY 2020	\$12,500,000
	FY 2021	\$12,500,000
	FY 2022	\$12,500,000
	FY 2023	\$12,500,000
ISU Student Innovation Center — These appropriations fund construction of a new facility that is intended to support student innovation. The building will house specialized equipment, materials, and tools. Classrooms will accommodate computer-aided design and virtual reality facilities.	FY 2024	\$12,500,000
	FY 2017	\$1,000,000
	FY 2018	\$6,000,000
	FY 2019	\$6,000,000
	FY 2020	\$7,000,000
Long Hall Renovation — Iowa School for the Deaf — This project will provide a number of upgrades including tuckpointing; changes to the HVAC system; window replacement; fire protection and suppression; warning systems; and electrical panels. The facility is 50,442 square feet and was constructed in 1930.	FY 2021	\$10,000,000
	FY 2022	\$10,000,000
UNI Industrial Technology Center — This appropriation is intended to be used to begin planning the renovation of the Industrial Technology Center at the University of Northern Iowa.	FY 2020	\$3,000,000
	FY 2021	\$1,325,000
State Fair		
4-H Building — This project will renovate the 4-H building on the Iowa State Fairgrounds.	FY 2020	\$500,000
	FY 2021	\$4,500,000

Governor's Recommendations from the RIIF

The following appropriations are recommended for FY 2021.

Department of Administrative Services

Security Cameras: *The Governor is recommending funding of \$250,000 in FY 2021 to upgrade security cameras across the Capitol Complex.* This is the first year of a four-year request to improve security cameras across the complex.

Department of Agriculture and Land Stewardship (DALIS) Projects

- **Water Quality Initiative:** *The Governor is recommending funding of \$2,600,000 for FY 2021 statewide increase.* The Governor is also recommending funding for the Water Quality Initiative from the General Fund, Environment First Fund, and Natural Resources and Outdoor Recreation Trust Fund.
- **Renewable Fuels Infrastructure:** *The Governor is recommending funding of \$5,000,000 for FY 2021 which is an increase of \$2,000,000 compared to estimated FY 2020.* The Renewable Fuel Infrastructure Program provides financial assistance to owners or operators of a retail motor fuel site or a biodiesel terminal who wish to convert their equipment to dispense and/or store renewable fuels.

Department of Corrections

Clarinda Treatment Complex: *The Governor is recommending \$4,000,000 for FY 2021 for a kitchen expansion on the Clarinda Treatment Complex. This remodel is intended to improve operational efficiency, safety, and security. The current kitchen lacks adequate ventilation, heating, and cooling systems.*

Department of Cultural Affairs (DCA) Projects

- **Great Places Infrastructure Grants:** *The Governor is recommending \$1,000,000 for FY 2021 for the Iowa Great Places Initiative. This is the same level of funding as received in estimated FY 2020. The Initiative is used to enhance the cultural development of Iowa communities by providing grants to the Great Places communities for community cultural infrastructure projects. The Iowa Great Places Program Fund was created during the 2006 Legislative Session and was first funded in FY 2007.*
- **Strengthening Communities Grants:** *The Governor is recommending \$250,000 for FY 2021. This is the same level of funding as received in estimated FY 2020. These grants fund building improvements in YMCAs located within communities with a population of less than 28,000.*

Economic Development Authority (IEDA)

- **Community Attraction and Tourism (CAT) Grants:** *The Governor is recommending \$5,000,000 for FY 2021. The CAT Grants assist communities in the development and creation of multipurpose attraction and tourism facilities. Eligible CAT projects must be permanent recreational, cultural, educational, or entertainment attractions, be available to the general public, and promote tourism in local communities. Eligible applicants include cities, counties, public organizations, or school districts in cooperation with the city or county.*
- **Regional Sports Authorities:** *The Governor is recommending \$500,000 for FY 2021 for Regional Sports Authorities. The Regional Sports Authority District Program authorizes the IEDA to certify up to 10 districts for the promotion of youth sports, high school athletics, the Special Olympics, or other nonprofessional sporting events. Each district receives an equal share of the appropriation. Funding is awarded to the convention and visitors bureau (CVB) in each area. The funds are used for marketing and other promotional efforts to attract youth sports, high school athletics, or other sporting events to the communities. In addition, the funds are used for venue rental, facility conversion, timing systems, field preparation, and other expenses related to hosting various sporting events.*
- **Lewis and Clark Regional Water System:** *The Governor is recommending \$1,750,000 in FY 2021. This project will connect Iowa communities to the Lewis and Clark Regional Water System in Iowa. This project received \$4,750,000 in FY 2019.*

Department of Human Services (DHS)

- **Americans with Disabilities Act Projects:** *The Governor is recommending \$596,500 for DHS projects. These projects will make updates related to the federal Americans with Disabilities Act projects on DHS facilities.*
- **ChildServe Renovation:** *The Governor is recommending \$1,000,000 for FY 2021. The purpose of the expansion is to provide services for young adults with medical complexities that require intensive medical treatment and 24-hour skilled nursing care. The population served will be individuals age 21 and over who have aged out of existing programs. This project received \$500,000 in FY 2019.*

Iowa Law Enforcement Academy (ILEA)

ILEA Furnishings and Parking Lot: *The Governor is recommending \$830,000 to furnish the ILEA and to repave the parking lot. The ILEA is currently being remodeled. This appropriation will provide furnishings and repave the parking lot.*

Judicial Branch

- **Judicial Building Improvements:** *The Governor is recommending \$400,000 for improvements to the Judicial Building on the Capitol Complex. This appropriation will fund various building improvements such as recarpeting, boiler repairs, HVAC controls, and other projects.*
- **Courthouse Furniture and Equipment:** *The Governor is recommending \$211,455 for FY 2021 to purchase furniture and equipment for various courts throughout the State. This appropriation will fund furniture and equipment purchases in Floyd and Woodbury counties.*

Department of Natural Resources (DNR)

- **Lake Restoration:** *The Governor is recommending \$4,800,000 in FY 2021 for lake restoration, dredging, and water quality projects. The Governor is also recommending an estimated \$8,400,000 from the Natural Resources and Outdoor Recreation Trust Fund. The funds are used for projects identified in the Lake Restoration Annual Report and Plan, focusing on the first 35 projects that make up the priority list of 127 lake candidates. The DNR is required to implement the projects in accordance with the Lake Restoration Annual Report and Plan and Iowa Code section [456A.33B](#). The Report and Plan is submitted annually by January 1 to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee.*
- **State Park Infrastructure:** *The Governor is recommending \$1,000,000 for FY 2021. The Governor is also recommending funding from the Natural Resources and Outdoor Recreation Trust Fund. State park infrastructure improvements include replacing sewer lines, upgrading public drinking water systems, replacing shower buildings, constructing restrooms, replacing trail bridges, extending trail areas, and providing open-air interpretive shelters and exhibits.*
- **Derelict Buildings Program:** *The Governor is recommending \$400,000 for FY 2021 for the Derelict Buildings Program administered by the DNR. This recommendation is part of the Governor's Empowering Rural Iowa program initiative.*

Department of Public Defense

- **Facility/Armory Maintenance:** *The Governor is recommending \$1,000,000 for FY 2021 for major maintenance projects at National Guard facilities throughout the State. The funds support major maintenance to the National Guard readiness centers. Projects include roof repairs; upgrades to HVAC, electrical, and plumbing systems; additional classroom and office space; and other major maintenance and improvement projects at all 41 armories and other buildings maintained by the Iowa National Guard.*
- **Statewide Readiness Centers:** *The Governor is recommending \$1,000,000 for FY 2021 for modernization and improvement projects at National Guard readiness centers around the State. State funds will be matched one-to-one with federal funds.*
- **Camp Dodge Infrastructure Upgrades:** *The Governor is recommending \$250,000 for FY 2021 for construction upgrades at the Camp Dodge military installation. Camp Dodge includes 4,500 acres, 325 buildings, and 1,200 full-time employees. The post is home to the Joint Headquarters, the State Emergency Operations Center, National Maintenance and Battle Command Training Centers, the Iowa Gold Star Museum, the Iowa Law Enforcement Academy, and other entities.*

Department of Public Safety (DPS)

- **Statewide Interoperability Network:** *The Governor is recommending \$3,960,945 for FY 2021 to fund the lease costs associated with the Statewide Land Mobile Radio Communications System. The Governor is also recommending additional funding of \$560,682 from the RUTF and PRF. Total requested funding for the lease payment and maintenance in FY 2021 is \$4,521,627. This communications system supports first responders during daily duties, during planned events, and when responding to emergencies.*
- **Iowa State Patrol Aircraft:** *The Governor is recommending \$3,426,340 for FY 2021 to purchase two aircraft. These aircraft support traffic enforcement, surveillance, security operations, overseeing vehicle pursuits, and other operations.*
- **Bomb Suits:** *The Governor is recommending \$384,000 for FY 2021 to purchase eight bomb suits to be used by the State Fire Marshal.*

- **Ballistic Vests:** *The Governor is recommending \$467,500 for FY 2021 to purchase ballistic vests for all sworn DPS personnel.*

Board of Regents

Tuition Replacement: *The Governor is recommending \$28,268,466 in FY 2021. The funding is used to pay debt service on academic revenue bonds. The appropriation replaces student tuition and fees required to pay the debt service on academic revenue bonds authorized by the General Assembly in prior fiscal years. The academic revenue bonds issued by the Board of Regents are secured by student tuition and fees and are considered independent and not part of State obligations. This project received \$28,098,870 in estimated FY 2020 and \$31,471,292 in FY 2019.*

Department of Transportation (DOT) Projects

- **Public Transit Infrastructure Grants:** *The Governor is recommending \$1,500,000 for FY 2021 for public transit infrastructure grants through the Public Transit Infrastructure Grant Fund. Grants are provided for infrastructure-related projects at the 35 public transit agencies throughout the State. This is the same level of funding as estimated FY 2020.*
- **Commercial Service Airports:** *The Governor is recommending \$1,500,000 for FY 2021 for vertical infrastructure improvements at commercial service airports. There are eight commercial service airports in the State. They are located in Burlington, Cedar Rapids, Des Moines, Dubuque, Fort Dodge, Mason City, Sioux City, and Waterloo. This is a decrease of \$400,000 compared to estimated FY 2020.*
- **General Aviation Airports:** *The Governor is recommending \$1,000,000 for FY 2021 for vertical infrastructure improvements at general aviation airports. General aviation vertical infrastructure projects receive State matching grants of up to 85.00% of the total project costs and require a minimum level of \$5,000 in local match to be considered. Eligible airports apply to the DOT Office of Aviation, and projects are considered for funding by the Transportation Commission. These grants are available only to general aviation airports. This is the same level of funding as estimated FY 2020.*
- **Railroad Revolving Loan and Grant:** *The Governor is recommending \$1,000,000 for FY 2021 for the Railroad Revolving Loan and Grant Program. The funds are used to provide grants and loans for construction and improvements to railroad facilities, such as railroad main lines, branch lines, switching yards, sidings, rail connections, intermodal yards, and highway grade separations. This is the same level of funding as estimated FY 2020.*

Treasurer of State

County Fairs Infrastructure: *The Governor is recommending \$1,060,000 for FY 2021 for distribution to county fair societies that belong to the Association of Iowa Fairs. Funds are used for vertical infrastructure improvements at the 105 county fairs in the Association. Each county fair will receive approximately \$10,100. This is the same level of funding as estimated FY 2020.*

Veterans Affairs

Veterans Cemetery Road: *The Governor is recommending \$50,000 in FY 2021 to resurface the road at the Iowa Veterans Cemetery.*

Governor's Recommendations from the Technology Reinvestment Fund (TRF)

By statute, \$17,500,000 is appropriated from the General Fund to the TRF (Iowa Code section [8.57\(3\)](#)). *In lieu of the General Fund appropriation, the Governor is recommending \$35,000,000 to be appropriated from the RIIF to the TRF. Total recommended appropriations from the TRF are \$34,994,299 in FY 2021.*

Office of the Chief Information Officer

- **Data Center Replacement:** *The Governor is recommending \$400,000 for FY 2021 to replace the State Data Center. These appropriations will support the adoption of an enterprise content management system.*

- **Workday Personnel and Financial System:** *The Governor is recommending an appropriation of \$20,889,000 to begin the transitioning of the State's central accounting and budget systems to a new system provided by Workday, Inc. The transition will occur along a phased timeline. The first step of the transition will migrate personnel management from legacy systems to Workday in the summer of 2020. Migration of other components of the budget system is in planning stages.*

Department of Corrections

Building Automation Systems: *The Governor is recommending \$500,000 in FY 2021 to provide for building automation systems at a number of facilities.*

Department of Education

Iowa PBS Equipment Replacement: *The Governor is recommending \$1,000,000 for FY 2021 for the Public Broadcasting System (PBS) for equipment replacement. This project received \$500,000 from the TRF in estimated FY 2020.*

Ethics and Campaign Disclosure Board

Candidate Reporting System: *The Governor is recommending \$500,000 for FY 2021 for a candidate reporting system.*

Department of Homeland Security and Emergency Management

EMS Mass Messaging System: *The Governor is recommending \$400,000 for FY 2021. The funds will be used to operate the System. The System can be used by State and local authorities to quickly disseminate emergency information to residents in counties. The System is available, free of charge, to all counties.*

Department of Human Rights

- **Criminal Justice Information System (CJIS):** *The Governor is recommending \$1,400,000 in FY 2021 for the CJIS. The CJIS allows the automated exchange of criminal justice information among local, State, and federal criminal justice agencies.*
- **Justice Data Warehouse:** *The Governor is recommending \$157,980 in FY 2021 for continued maintenance and hosting costs of the Justice Data Warehouse Teredata platform shared by the Criminal Juvenile Justice Program and the Department of Revenue.*

Iowa Law Enforcement Academy

Technology Projects: *The Governor is recommending \$400,000 for FY 2021 to provide for in-classroom technology for the Iowa Law Enforcement Academy.*

Department of Human Services

Medicaid Technology: *The Governor is recommending \$1,979,319 for the Medicaid Management Information System. This appropriation was enacted in a prior Legislative Session. The Governor is recommending the enacted appropriation remain unchanged.*

Department of Inspections and Appeals

Health Facilities Database: *The Governor is recommending \$850,000 in FY 2021 to rebuild the Health Facilities Database, which is the repository for data for all regulated health facilities.*

Judicial Branch

Phase VOIP Phone Upgrade: *The Governor is recommending \$163,000 for FY 2021 to upgrade phones in the 4th Judicial District.*

Department of Management

- **Local Government Budget and Property Tax Upgrade:** *The Governor is recommending \$624,000 in FY 2021. This funding will upgrade and redesign the budget and property tax system used annually by local governments to submit information to the Department of Management.*

- **Searchable Online Database (Transparency Project):** *The Governor is recommending \$45,000 for FY 2021 for continued funding of the development of the searchable online database.*
- **Electronic Grants Management System:** *The Governor is recommending \$70,000 for FY 2021 for continued funding of the Electronic Grants Management System. IowaGrants.gov provides a single portal for potential applicants to search for open solicitations for ongoing grant programs offered by State agencies.*

Department of Public Health

Medical Examiners Equipment: *The Governor is recommending \$395,000 for software and hardware related to case manage photos, X rays, and other data.*

Department of Public Safety

Criminal Records History: *The Governor is recommending \$800,000 in FY 2021 to upgrade digital criminal records history. This system maintains criminal record information that is used by agencies for various reasons. The total cost of the system is \$2,000,000. The remainder of the system is funded by federal grants.*

Department of Revenue

Tax System Modernization: *The Governor is recommending \$3,000,000 for FY 2021 to upgrade public-facing systems used for tax collection.*

Secretary of State

Technology Projects: *The Governor is recommending \$1,400,000 to upgrade voter registration systems. This appropriation was enacted in a prior Legislative Session. The Governor is recommending the enacted appropriation remain unchanged.*

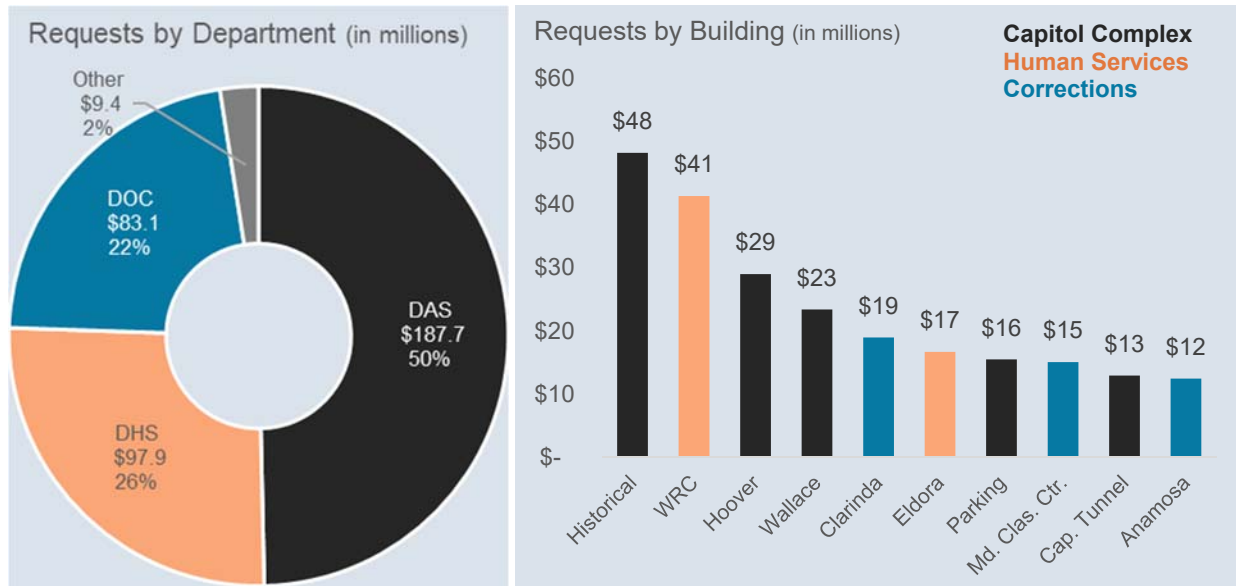
Department of Veterans Affairs

Security Camera Upgrade: *The Governor is recommending \$21,000 in FY 2021 to repair and upgrade cameras at the Iowa Veterans Cemetery.*

Discussion Items

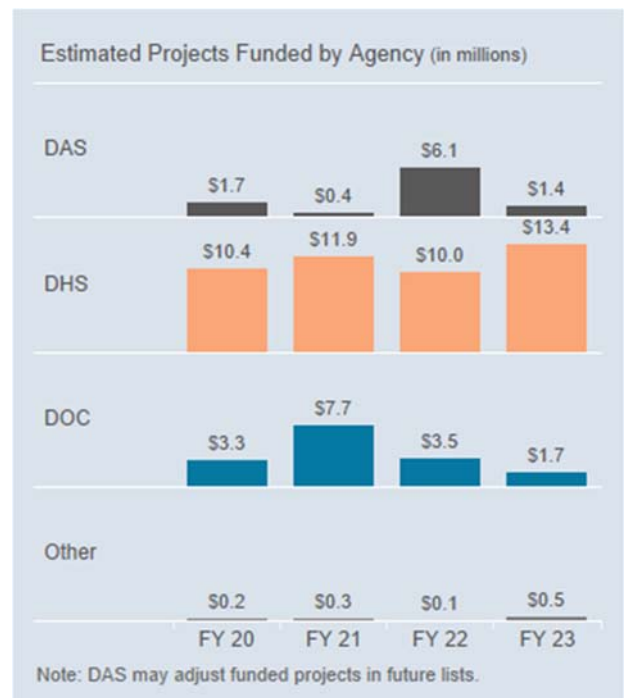
Summer 2018 Major Maintenance List

The DAS defines major maintenance as “expenditures made beyond the regular, normal upkeep of physical properties for the repair or replacement of failed or failing building components.” Between FY 2014 and estimated FY 2019, the Department has received appropriations exceeding \$94,000,000 to fund major maintenance activities. Major maintenance requests totaled \$378,166,786 in the summer of 2019. The charts below display major maintenance requests by the departments and the Capitol Complex, which is managed by the DAS.



Several agencies request major maintenance funding from the DAS. However, most requests are on the Capitol Complex, for Department of Corrections facilities, and for DHS facilities. The chart on the top right displays total requests for the top 10 facilities by dollar amount. The chart also includes requests for parking lot repairs and service and pedestrian tunnel repairs on the Capitol Complex. These 10 buildings (or categories) are \$233,619,104 of the total requests. Another important note is that a single project can considerably change the total need of a single facility. For instance, in the case of the Wallace and Hoover buildings, repairs to the HVAC system are estimated at \$23,300,000 and \$20,200,000, respectively. Similarly, a utility project at the Woodward Resource Center (WRC) has an estimated cost of \$32,000,000 over five phases. Requests for the State Historical Building consist of a number of projects. The largest of these requests include replacing the building envelope (\$19,100,000) and replacing the HVAC (\$18,300,000).

In the 2018 Session, the appropriations were enacted for major maintenance from FY 2019 through FY 2023. Based on these appropriations, the DAS has identified a list of projects that are currently planned to be funded in the next five years. These plans and estimated project costs could change as projects are reassessed. Planned project totals by department, excluding FY 2019 which ended June 30, 2019, are presented to the right. The DHS is expected to receive \$45,716,500 over this time. Of that total, \$32,000,000 is for a utility decentralization project at Woodward Resource Center that is planned to occur over four years from FY 2020 through FY 2023. The State Training School in Eldora also has a utility tunnel decentralization project planned at an estimated cost of \$16,700,000, which will occur in FY 2020 and FY 2021. The Department of Corrections is expected to receive \$16,165,622 and the Capitol Complex is expected to receive \$9,604,092.





Appendix F – Infrastructure Balance Sheets

Analysis of the Governor's Budget Recommendations

The following pages show the balance sheets for the Rebuild Iowa Infrastructure Fund and the Technology Reinvestment Fund.

Rebuild Iowa Infrastructure Fund

Governor's Recommendations

	Actual FY 2019	Estimated FY 2020	Gov Rec FY 2021
Resources			
Balance Forward	\$ 10,882,658	\$ 10,921,715	\$ 874,144
Casino Wagering Tax Revenues	163,317,038	159,810,000	159,810,000
Interest	15,728,014	16,000,000	17,000,000
MSA Tobacco Payments	10,900,749	10,790,405	10,790,405
MSA Tobacco Litigation Settlements	2,209,594	2,209,595	2,209,595
Total Resources	\$ 203,038,053	\$ 199,731,715	\$ 190,684,144
Appropriations			
Administrative Services			
Major Maintenance	\$ 24,500,000	\$ 20,000,000	\$ 20,000,000
Routine Maintenance	2,000,000	2,000,000	2,000,000
Security Cameras on Capital Complex	0	0	250,000
Agriculture & Land Stewardship			
Water Quality Initiative	5,200,000	5,200,000	2,600,000
Ag Drainage Wells	1,875,000	0	0
Renewable Fuels	3,000,000	3,000,000	5,000,000
Chief Information Officer			
Broadband Improvements	1,300,000	0	0
Corrections			
Clarinda Treatment Complex Kitchen Expansion	0	0	4,000,000
Capitals Request	0	150,000	0
Cultural Affairs			
Great Places Infrastructure Grants	1,000,000	1,000,000	1,000,000
Strengthening Communities Grants - Rural YMCAs	250,000	250,000	250,000
Economic Development			
Community Attraction & Tourism Grants	5,000,000	5,000,000	5,000,000
Regional Sports Authorities	500,000	500,000	500,000
World Food Prize Borlaug/Ruan Scholar Program	300,000	300,000	0
Vacant State Building Demolition Fund	0	1,000,000	1,000,000
Vacant State Building Renovation Fund	0	1,000,000	1,000,000
Iowa Independence Innovation Center	0	200,000	800,000
Lewis and Clark Regional Water System	4,750,000	0	1,750,000
Junior Olympics	250,000	0	0
Gas Pipeline	250,000	0	0
Human Services			
ADA Capital	0	0	596,500
Childserve Project	500,000	0	1,000,000
Nursing Home Facility Improvements	500,000	500,000	0
Iowa Finance Authority			
State Housing Trust Fund	3,000,000	3,050,000	3,000,000
Iowa Law Enforcement Academy			
New Facility Planning	1,449,938	10,826,911	0
ILEA Furnishings and Parking lot	0	0	830,000
Judicial Branch			
Polk County Justice Center Furniture and Equipment	1,464,705	0	0
Other County Justice Center Furniture and Equip.	0	193,620	211,455
Judicial Building Improvements	0	0	400,000
Legislative Branch			
Capitol Building Maintenance	500,000	500,000	500,000
Management			
Environment First Fund	42,000,000	42,000,000	22,320,000
Technology Reinvestment Fund	14,400,000	18,069,975	35,000,000
Natural Resources			
State Park Infrastructure	2,000,000	2,000,000	1,000,000
Lake Restoration & Water Quality	9,600,000	9,600,000	4,800,000
Water Trails and Low Head Dam Grants	500,000	500,000	0
Derelict Buildings Program	0	0	400,000
Public Defense			
Facility/Armory Maintenance	1,000,000	1,000,000	1,000,000
Statewide Modernization - Readiness Centers	1,000,000	1,000,000	1,000,000
Camp Dodge Infrastructure Upgrades	250,000	250,000	250,000

Rebuild Iowa Infrastructure Fund
Governor's Recommendations

	Actual FY 2019	Estimated FY 2020	Gov Rec FY 2021
Public Safety			
Statewide Interoperability Network Contract	1,351,666	3,719,355	3,960,945
Tasers	740,000	0	0
Iowa State Patrol Aircrafts	0	0	3,426,340
Ballistic Vests	0	0	467,500
Bomb Suits	0	0	384,000
Lab Liquid Chromatograph	0	325,000	0
Explosive Trace Detectors	0	29,000	0
Regents			
Tuition Replacement	31,471,292	28,098,870	28,268,466
ISU Student Innovation Center	6,000,000	7,000,000	10,000,000
ISU Biosciences Building	4,000,000	0	0
UI Pharmacy Building Renovation	5,500,000	0	0
ISU Veterinary Lab	1,000,000	12,500,000	12,500,000
ISD Long Hall Renovation	0	3,000,000	1,325,000
UNI Industrial Technology Center Renovation	0	0	1,000,000
State Fair			
Northwest Events Area Construction and Remodel	8,500,000	0	0
State Fair Historical Building Task Force	0	500,000	0
Renovation of the 4H Building	0	500,000	4,500,000
Transportation			
Railroad Revolving Loan and Grant	1,000,000	1,000,000	1,000,000
Recreational Trails	1,000,000	1,500,000	0
Public Transit Vertical Infrastructure Grants	1,500,000	1,500,000	1,500,000
Commercial Air Service Vertical Infrastructure Grants	1,500,000	1,900,000	1,500,000
General Aviation Vertical Infrastructure Grants	700,000	1,000,000	1,000,000
Treasurer			
County Fair Infrastructure	1,060,000	1,060,000	1,060,000
Veterans Affairs			
Resurfacing Road at Veterans Cemetery	0	0	50,000
Veterans Home			
Mechanical and Electrical Distribution	0	6,134,840	0
Net Appropriations	\$ 193,662,601	\$ 198,857,571	\$ 189,400,206
Reversions	-1,546,263	-	-
Ending Balance	\$ 10,921,715	\$ 874,144	\$ 1,283,938

Technology Reinvestment Fund

Governor's Recommendations

	Actual FY 2019	Estimated FY 2020	Gov Rec FY 2021
Resources			
Beginning Balance	\$ 19,635	\$ 5,855	\$ 5,855
RIF Appropriation	14,400,000	18,069,975	35,000,000
Total Available Resources	\$ 14,419,635	\$ 18,075,830	\$ 35,005,855
Appropriations			
Office of the Chief Information Officer			
Information Technology Consolidation Projects	\$ 1,000,000	\$ 1,000,000	\$ 0
Data Center Replacement	0	0	400,000
Workday	0	0	20,889,000
Department of Corrections			
Technology Projects	0	629,000	0
Building Automation Systems	0	0	500,000
Department of Education			
ICN Part III & Maintenance & Leases	2,727,000	2,727,000	0
Statewide Education Data Warehouse	600,000	600,000	0
IPTV Equipment Replacement	500,000	500,000	1,000,000
Department of Homeland Security			
Mass Notification and Emer. Messaging System	400,000	400,000	400,000
Department of Human Rights			
Criminal Justice Info System Integration (CJIS)	1,200,000	1,200,000	1,400,000
Justice Data Warehouse	157,980	157,980	157,980
Iowa Ethics & Campaign Disclosure Board			
Candidate Reporting System	0	0	500,000
Iowa Law Enforcement Academy			
Technology Projects	0	15,000	400,000
Department of Human Services			
Medicaid Technology	636,000	1,228,535	1,979,319
Family and Children Services System Replacement	0	5,525,660	0
Department of Inspections and Appeals			
Rebuilding Health Facilities Database	0	0	850,000
State Public Defender Online Attorney Billings	88,800	0	0
Electronic Storage Space	0	50,000	0
Judicial Branch			
Technology Projects	3,000,000	0	0
Phased VOIP Phone Upgrade	0	0	163,000
Department of Management			
Transparency Project	45,000	45,000	45,000
Local Government Budget & Property Tax Upgrade	600,000	120,000	624,000
Electronic Grant Management System	70,000	50,000	70,000
Department of Natural Resources			
Air Quality Application System	954,000	0	0
Board of Parole			
Technology Project	50,000	0	0
Department of Public Health			
Medical Examiner Equipment	0	0	395,000
Medical Cannabidiol Registry	350,000	0	0
Consolidate AMANDA Instances	0	796,800	0
Department of Public Safety			
Crime Scene Processing Equipment	125,000	0	0
Radio Upgrades	860,000	0	0
Lab Management System	0	300,000	0
Virtual Storage Archival System	0	290,000	0
Lab Digital Evidence Management System	0	80,000	0
Post 16 Upgrades	0	250,000	0
Criminal History Record System	0	0	800,000
Department of Revenue			
Tax System Modernization	0	0	3,000,000
Secretary of State			
Technology Projects (GOV)	1,050,000	2,100,000	1,400,000
Veterans Affairs			
Technology Equipment	0	5,000	21,000
Total Appropriations	\$ 14,413,780	\$ 18,069,975	\$ 34,994,299
Reversions	-	-	-
Ending Balance	\$ 5,855	\$ 5,855	\$ 11,556

Appendix G – Appropriations Activity

Analysis of the Governor's Recommendations

The following information provides a summary of the FY 2019 General Fund and non-General Fund appropriations for the departments under the purview of the Transportation, Infrastructure, and Capitals Appropriations Subcommittee. Appropriations are adjusted for several factors throughout the fiscal year, including supplemental appropriations, deappropriations, and adjustments to standing appropriations to account for actual expenditures. Other activity associated with appropriated funds includes: balances brought forward, transfers, and reversions. The tables show each of the departments' appropriations and the changes that occurred throughout the fiscal year.

- Original Appropriation: This is the amount appropriated from the General Fund in individual appropriation bills during the 2018 Legislative Session.
- Adjustment to Standings: These adjustments represent changes that are made to budgeted standing unlimited appropriations for the purpose of balancing the year-end amount. There are numerous standing unlimited appropriations established in the Iowa Code. The exact amount for each of these appropriations is not known until the close of the fiscal year. As the General Assembly develops the annual budget, an estimated amount is included for budgeting purposes. This estimated appropriation is then adjusted to reflect actual expenditures.
- Session Law Adjustments (General Fund Only): During the 2018 Legislative Session there were two appropriation bills enacted that provided increases to certain State agencies and allowed the agencies to allocate the increase across their line-item appropriations: [Senate File 2415](#) (FY 2019 Education Appropriations Act) and [HF 2492](#) (FY 2019 Justice System Appropriations Act). Senate File 2415 provided an increase of \$8.3 million to the Board of Regents, and HF 2492 provided an increase of \$3.9 million to the Department of Corrections.
- Supplemental Appropriations/Deappropriations: These changes represent the supplemental appropriations and deappropriations enacted during the 2019 Legislative Session.
- Salary Adjustment (Other Funds Only): Several non-General Fund appropriations were authorized to receive appropriation adjustments to fund salary increases for FY 2019.
- Total Appropriation: This is the sum of all of the above numbers and represents the final appropriation amount after the above changes were applied.

Appendix G – Appropriations Activity

Analysis of the Governor's Recommendations

- Balance Brought Forward: These are the appropriated funds allowed to carry forward from FY 2018 to FY 2019. These funds provided additional spendable dollars for FY 2019.
- Transfers In and Out: These adjustments represent transferred appropriation spending authority between enacted appropriations. These transfers are usually implemented by the Governor through the authority of Iowa Code section [8.39](#).
- Balance Carryforward: These are appropriated funds that are allowed to carry forward from FY 2019 to FY 2020. These funds provide additional spendable dollars for FY 2020.
- Reversions: These are the unspent appropriated funds that revert back to the fund from which they were appropriated.
- Total Adjustments: This is the sum of the Balance Brought Forward, Transfers, Balance Carryforward, and Reversions. The total represents the final appropriation amount after the above changes were applied.
- Total Expended: This number represents the appropriation after all of the above adjustments have been made. The result is the total appropriated funds that were expended in FY 2019.

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Capitals Total										
Administrative Services - Capitals										
<i>Rebuild Iowa Infrastructure Fund</i>										
Routine Maintenance	\$ 2,000,000	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 0	\$ -1,190,629	\$ 0	\$ -1,190,629	\$ 809,371
Statewide Major Maintenance RIIF	24,500,000	0	0	0	24,500,000	14,833,752	-30,853,383	0	-16,019,631	8,480,369
<i>Revenue Bonds Capitals Fund</i>										
DAS - Major Maintenance	0	0	0	0	0	548,107	0	0	548,107	548,107
<i>Revenue Bonds Capitals II Fund</i>										
DAS - Major Maintenance 2	0	0	0	0	0	1,527,375	0	0	1,527,375	1,527,375
<i>State Bond Repayment Fund</i>										
Capitol Dome Major Maintenance	0	0	0	0	0	3,321,868	0	0	3,321,868	3,321,868
Administrative Services - Capitals Total	26,500,000	0	0	0	26,500,000	20,231,102	-32,044,012	0	-11,812,910	14,687,090
Agriculture and Land Stewardship										
<i>Rebuild Iowa Infrastructure Fund</i>										
Agricultural Drainage Wells RIIF	1,875,000	0	0	0	1,875,000	0	0	0	0	1,875,000
Renewable Fuels Infrastructure Fund	3,000,000	0	0	0	3,000,000	0	0	0	0	3,000,000
Water Quality Initiative RIIF	5,200,000	0	0	0	5,200,000	0	0	0	0	5,200,000
Agriculture and Land Stewardship Total	10,075,000	0	0	0	10,075,000	0	0	0	0	10,075,000
Blind Capitals, Department for the										
<i>Rebuild Iowa Infrastructure Fund</i>										
Elevator Improvements	0	0	0	0	0	0	-37,338	0	-37,338	-37,338
Blind Capitals, Department for the Total	0	0	0	0	0	0	-37,338	0	-37,338	-37,338
Chief Information Officer, Office of the										
<i>Rebuild Iowa Infrastructure Fund</i>										
Broadband	1,300,000	0	0	0	1,300,000	0	-1,300,000	0	-1,300,000	0
<i>Technology Reinvestment Fund</i>										
IT Consolidation - OCIO	1,000,000	0	0	0	1,000,000	15,219	-362,974	0	-347,755	652,245
Chief Information Officer, Office of the Total	2,300,000	0	0	0	2,300,000	15,219	-1,662,974	0	-1,647,755	652,245
Corrections Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
DOC-CBC 5th District Major Maintenance	0	0	0	0	0	67,518	0	0	67,518	67,518
Corrections Capital Total	0	0	0	0	0	67,518	0	0	67,518	67,518
Cultural Affairs Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
Historical Building Renovation	0	0	0	0	0	928,550	-825,888	0	102,662	102,662
Strengthen Community Grants	0	0	0	0	0	115,131	0	-39,842	75,289	75,289
Cultural Affairs Capital Total	0	0	0	0	0	1,043,681	-825,888	-39,842	177,951	177,951
Cultural Affairs, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
Great Places	1,000,000	0	0	0	1,000,000	2,194,332	-2,348,491	0	-154,158	845,842
Sullivan Brothers Museum	0	0	0	0	0	250,000	-18,081	0	231,919	231,919
USS Iowa Battleship	0	0	0	0	0	248,181	0	0	248,181	248,181
YMCA Strengthen Community Grants	250,000	0	0	0	250,000	303,013	-194,393	0	108,620	358,620
Cultural Affairs, Department of Total	1,250,000	0	0	0	1,250,000	2,995,526	-2,560,965	0	434,561	1,684,561

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Economic Development Authority										
<i>Rebuild Iowa Infrastructure Fund</i>										
Community & Tourism Grant Appropriation	5,000,000	0	0	0	5,000,000	0	0	0	0	5,000,000
Fort Des Moines Museum Renovation and Repair	0	0	0	0	0	25,342	0	-23,471	1,871	1,871
Gas Pipeline	250,000	0	0	0	250,000	0	-250,000	0	-250,000	0
Lewis & Clark Rural Water System	4,750,000	0	0	0	4,750,000	1,757,989	-4,229,044	0	-2,471,055	2,278,945
National Junior Olympics	250,000	0	0	0	250,000	0	0	0	0	250,000
Regional Sports Authorities	500,000	0	0	0	500,000	85,513	-60,513	0	25,000	525,000
Western Iowa Utility Relocation (Sioux City)	0	0	0	0	0	1,500,000	-1,500,000	0	0	0
World Food Prize Borlaug/Ruan Scholar Program	300,000	0	0	0	300,000	0	0	0	0	300,000
Economic Development Authority Total	11,050,000	0	0	0	11,050,000	3,368,843	-6,039,556	-23,471	-2,694,184	8,355,816
Education Capital										
<i>Technology Reinvestment Fund</i>										
IPTV - Inductive Output Tubes	0	0	0	0	0	277,836	-186,895	0	90,941	90,941
Education Capital Total	0	0	0	0	0	277,836	-186,895	0	90,941	90,941
Education, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
IPTV Equip Replacement RIF	0	0	0	0	0	1,183,303	-594,717	0	588,586	588,586
<i>Technology Reinvestment Fund</i>										
ICN Part III Leases & Maintenance Network	2,727,000	0	0	0	2,727,000	0	0	0	0	2,727,000
IPTV Equipment Replace	500,000	0	0	0	500,000	260,000	-760,000	0	-500,000	0
Statewide Education Data Warehouse	600,000	0	0	0	600,000	0	0	0	0	600,000
Education, Department of Total	3,827,000	0	0	0	3,827,000	1,443,303	-1,354,717	0	88,586	3,915,586
General Assembly Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
State Capitol Maintenance Fund Appropriation	500,000	0	0	0	500,000	0	0	0	0	500,000
General Assembly Capital Total	500,000	0	0	0	500,000	0	0	0	0	500,000
Homeland Security and Emergency Management										
<i>Technology Reinvestment Fund</i>										
EMS Data System TRF Homeland Security	400,000	0	0	0	400,000	166,339	-211,142	0	-44,804	355,196
Homeland Security and Emergency Mgmt Total	400,000	0	0	0	400,000	166,339	-211,142	0	-44,804	355,196
Human Rights, Department of										
<i>Technology Reinvestment Fund</i>										
Infrastructure for Integrating Justice Data Systems	1,200,000	0	0	0	1,200,000	775,014	-422,710	0	352,304	1,552,304
Justice Data Warehouse	157,980	0	0	0	157,980	115,822	-60,599	0	55,223	213,203
Human Rights, Department of Total	1,357,980	0	0	0	1,357,980	890,836	-483,309	0	407,527	1,765,507
Human Services Capital										
<i>Technology Reinvestment Fund</i>										
Medicaid Technology	636,000	0	0	0	636,000	864,796	-1,485,858	0	-621,063	14,937
Human Services Capital Total	636,000	0	0	0	636,000	864,796	-1,485,858	0	-621,063	14,937
Human Services, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
ChildServe	500,000	0	0	0	500,000	0	0	0	0	500,000
Nursing Facility Renovation and Construction	500,000	0	0	0	500,000	500,000	-1,000,000	0	-500,000	0
Human Services, Department of Total	1,000,000	0	0	0	1,000,000	500,000	-1,000,000	0	-500,000	500,000

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Inspections & Appeals, Department of Total	88,800	0	0	0	88,800	0	-88,800	0	-88,800	0
Iowa Finance Authority										
<i>Rebuild Iowa Infrastructure Fund</i>										
State Housing Trust Fund	3,000,000	0	0	0	3,000,000	0	0	0	0	3,000,000
Iowa Finance Authority Total	3,000,000	0	0	0	3,000,000	0	0	0	0	3,000,000
Iowa Telecommunications & Technology Commission										
<i>Rebuild Iowa Infrastructure Fund</i>										
ICN Equipment Replacement	0	0	0	0	0	2,952,229	0	0	2,952,229	2,952,229
Iowa Telecom. & Technology Commission Total	0	0	0	0	0	2,952,229	0	0	2,952,229	2,952,229
Judicial Branch										
<i>Technology Reinvestment Fund</i>										
Judicial Branch Technology Projects	3,000,000	0	0	0	3,000,000	0	-2,639,089	0	-2,639,089	360,911
Judicial Branch Total	3,000,000	0	0	0	3,000,000	0	-2,639,089	0	-2,639,089	360,911
Judicial Branch Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
Polk County Justice Center Furniture & Equipment	1,464,705	0	0	0	1,464,705	0	-1,464,705	0	-1,464,705	0
<i>State Bond Repayment Fund</i>										
Polk County Justice Center Furniture & Equipment	0	0	0	0	0	5,032,785	-3,654,217	0	1,378,568	1,378,568
Judicial Branch Capital Total	1,464,705	0	0	0	1,464,705	5,032,785	-5,118,922	0	-86,137	1,378,568
Law Enforcement Academy										
<i>Rebuild Iowa Infrastructure Fund</i>										
ILEA - RILF Funds	1,449,938	0	0	0	1,449,938	0	-153,207	0	-153,207	1,296,731
Law Enforcement Academy Total	1,449,938	0	0	0	1,449,938	0	-153,207	0	-153,207	1,296,731
Management, Department of										
<i>Technology Reinvestment Fund</i>										
Iowa Grants Management Implementation	70,000	0	0	0	70,000	38,557	-51,390	0	-12,833	57,167
Local Government Budget & Property Tax System	600,000	0	0	0	600,000	91,741	-197,066	0	-105,325	494,675
Transparency Project	45,000	0	0	0	45,000	21,496	-31,523	0	-10,027	34,973
Management, Department of Total	715,000	0	0	0	715,000	151,794	-279,979	0	-128,185	586,815
Natural Resources Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
DNR Lakes Restoration & Water Quality	9,600,000	0	0	0	9,600,000	11,950,145	-14,295,287	0	-2,345,143	7,254,857
State Parks Infrastructure Renovations	2,000,000	0	0	0	2,000,000	3,636,697	-2,677,982	0	958,715	2,958,715
Natural Resources Capital Total	11,600,000	0	0	0	11,600,000	15,586,842	-16,973,270	0	-1,386,428	10,213,572
Natural Resources, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
Good Earth Park	0	0	0	0	0	1,638,815	-1,638,815	0	0	0
Water Trails and Low Head Dam Programs	500,000	0	0	0	500,000	974,126	-742,463	0	231,663	731,663
<i>Technology Reinvestment Fund</i>										
Air Quality Application System	954,000	0	0	0	954,000	0	-553,402	0	-553,402	400,598
Natural Resources, Department of Total	1,454,000	0	0	0	1,454,000	2,612,941	-2,934,680	0	-321,739	1,132,261
Parole, Board of										
<i>Technology Reinvestment Fund</i>										
Parole Board Technology Projects	50,000	0	0	0	50,000	0	-50,000	0	-50,000	0
Parole, Board of Total	50,000	0	0	0	50,000	0	-50,000	0	-50,000	0

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Public Defense Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
Armory Construction Improvement Projects	1,000,000	0	0	0	1,000,000	895,322	-741,458	0	153,864	1,153,864
Camp Dodge Infrastructure Upgrades	250,000	0	0	0	250,000	303,245	-430,343	0	-127,098	122,902
Facility/Armory Maintenance	1,000,000	0	0	0	1,000,000	992,900	-1,157,197	0	-164,297	835,703
Public Defense Capital Total	2,250,000	0	0	0	2,250,000	2,191,467	-2,328,998	0	-137,531	2,112,469
Public Health, Department of										
<i>Technology Reinvestment Fund</i>										
Medical Cannabidiol Registry	350,000	0	0	0	350,000	0	-74,250	0	-74,250	275,750
State Medical Examiner Office	0	0	0	0	0	940,877	-825,802	0	115,074	115,074
Public Health, Department of Total	350,000	0	0	0	350,000	940,877	-900,052	0	40,824	390,824
Public Safety Capital										
<i>Technology Reinvestment Fund</i>										
DPS Radio Replacement	860,000	0	0	0	860,000	756	-101,734	0	-100,978	759,022
DPS Tech Projects	125,000	0	0	0	125,000	0	-102,200	0	-102,200	22,800
Public Safety Capital Total	985,000	0	0	0	985,000	756	-203,934	0	-203,178	781,822
Public Safety, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
DPS Various Equipment Projects	740,000	0	0	0	740,000	0	0	0	0	740,000
Iowa a Statewide Interoperable Comm. System	1,351,666	0	0	0	1,351,666	3,298	-297,249	0	-293,951	1,057,715
Public Safety, Department of Total	2,091,666	0	0	0	2,091,666	3,298	-297,249	0	-293,951	1,797,715
Regents Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
ISU - Biosciences Facilities	4,000,000	0	0	0	4,000,000	0	0	0	0	4,000,000
ISU - Student Innovation Center	6,000,000	0	0	0	6,000,000	0	0	0	0	6,000,000
ISU - Veterinary Diagnostic Laboratory	1,000,000	0	0	0	1,000,000	0	-708,815	0	-708,815	291,185
SUI - Pharmacy Building Replacement	5,500,000	0	0	0	5,500,000	11,336,258	0	0	11,336,258	16,836,258
Regents Capital Total	16,500,000	0	0	0	16,500,000	11,336,258	-708,815	0	10,627,443	27,127,443
Regents, Board of										
<i>Rebuild Iowa Infrastructure Fund</i>										
Tuition Replacement - Academic Revenue Bonds	31,471,292	0	0	0	31,471,292	2,768,377	-2,792,077	0	-23,700	31,447,592
Regents, Board of Total	31,471,292	0	0	0	31,471,292	2,768,377	-2,792,077	0	-23,700	31,447,592
Secretary of State										
<i>Rebuild Iowa Infrastructure Fund</i>										
Voter Registration License Files Maint. & Storage	0	0	0	0	0	154,528	-116,222	0	38,306	38,306
<i>Technology Reinvestment Fund</i>										
Updating of Voter Registration System	1,050,000	0	0	0	1,050,000	0	-685,635	0	-685,635	364,365
Secretary of State Total	1,050,000	0	0	0	1,050,000	154,528	-801,857	0	-647,329	402,671
State Fair Authority Capital										
<i>Rebuild Iowa Infrastructure Fund</i>										
NW Events Area	8,500,000	0	0	0	8,500,000	0	-822,475	0	-822,475	7,677,525
State Fair Authority Capital Total	8,500,000	0	0	0	8,500,000	0	-822,475	0	-822,475	7,677,525

FY 2019 OTHER FUNDS APPROPRIATIONS

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Original Approp	Adj to Standings	Supp & Deapprop	Salary Adj	Total Approp	Balance Brought Forward	Balance Carry Forward	Reversion	Total Adjustments	Total Expended
Transportation Capitals										
<i>Primary Road Fund</i>										
ADA Improvements	150,000	0	0	0	150,000	150,143	-84,744	0	65,399	215,399
Adair Garage Renovations	0	0	0	0	0	1,423,625	-684,896	0	738,729	738,729
Ames Administration Building	0	0	0	0	0	1,093,286	0	-1,016,678	76,609	76,609
Garage Roofing Projects	500,000	0	0	0	500,000	413,323	-152,902	0	260,420	760,420
Heating, Cooling, Exhaust System Improvements	700,000	0	0	0	700,000	981,768	-1,024,897	0	-43,130	656,870
Utility Improvements	400,000	0	0	0	400,000	128,904	-538	0	128,367	528,367
Dubuque Garage Replacement	0	0	0	0	0	9,744,885	-8,899,531	0	845,354	845,354
Mount Pleasant/Fairfield Combined Facility	0	0	0	0	0	4,753,635	-1,476,431	0	3,277,204	3,277,204
Muscatine/Wapello Combined Facility	0	0	0	0	0	61,438	0	0	61,438	61,438
Waterloo Garage Renovations	1,790,000	0	0	0	1,790,000	0	-1,790,000	0	-1,790,000	0
<i>Road Use Tax Fund</i>										
MVD Field Facilities Maintenance	300,000	0	0	0	300,000	136,878	-18,042	0	118,836	418,836
Transportation Capitals Total	3,840,000	0	0	0	3,840,000	18,887,885	-14,131,981	-1,016,678	3,739,226	7,579,226
Transportation, Department of										
<i>Rebuild Iowa Infrastructure Fund</i>										
Commercial Air Service Airports	1,500,000	0	0	0	1,500,000	1,223,584	-2,229,817	0	-1,006,233	493,767
General Aviation Airports	700,000	0	0	0	700,000	443,762	-717,864	0	-274,102	425,898
Public Transit Assistance	1,500,000	0	0	0	1,500,000	0	0	0	0	1,500,000
Rail Revolving Loan & Grant Fund	1,000,000	0	0	0	1,000,000	0	0	0	0	1,000,000
Recreational Trails	1,000,000	0	0	0	1,000,000	5,227,094	-3,190,469	0	2,036,624	3,036,624
Transportation, Department of Total	5,700,000	0	0	0	5,700,000	6,894,440	-6,138,150	0	756,289	6,456,289
Treasurer of State										
<i>Rebuild Iowa Infrastructure Fund</i>										
County Fair Improvements	1,060,000	0	0	0	1,060,000	0	0	0	0	1,060,000
Iowa ABLE Savings Plan Trust	0	0	0	0	0	9,591	0	-9,191	400	400
Treasurer of State Total	1,060,000	0	0	0	1,060,000	9,591	0	-9,191	400	1,060,400
Veterans Affairs Capitals										
<i>Endowment for Iowa's Health Restricted Capitals Fund</i>										
Iowa Veterans Home Capitals	0	0	0	0	0	1,108,744	-990,148	0	118,596	118,596
<i>Rebuild Iowa Infrastructure Fund</i>										
Air Handler Units - Various Buildings	0	0	0	0	0	1,451,508	0	-1,324,305	127,203	127,203
Laundry Renovation	0	0	0	0	0	847,051	0	-149,454	697,597	697,597
Sheeler & Loftus Renovation	0	0	0	0	0	813,562	-420,124	0	393,438	393,438
Veterans Affairs Capitals Total	0	0	0	0	0	4,220,866	-1,410,272	-1,473,760	1,336,834	1,336,834
Capitals Total	\$ 155,216,381	\$ 0	\$ 0	\$ 0	\$ 155,216,381	\$ 105,473,050	\$ -106,648,419	\$ -2,562,941	\$ -3,738,309	\$ 151,478,072

Appendix I includes four reports issued by the LSA:

- **Issue Review:** Projected Major Maintenance Costs for State Facilities
- **Issue Review:** Building Maintenance Costs on State Facilities
- **Fiscal Topic:** Technology Reinvestment Fund
- **Fiscal Topic:** Vertical Infrastructure Requirement Exemptions

ISSUE REVIEW

Fiscal Services Division

November 7, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Projected Major Maintenance Costs for Certain State Facilities

ISSUE

This **Issue Review** projects future growth of the major maintenance list for State facilities and estimates how quickly deferred maintenance may be eliminated with different levels of funding. The projection will account for inflation, different funding levels, future project requests, and the impact of funding specific buildings. The **Issue Review** will also describe the current major maintenance list, provide examples of funding scenarios, and explore the impact of those various scenarios.

AFFECTED AGENCIES

Alcoholic Beverages Division
All agencies on the Capitol Complex
Department of Administrative Services
Department of Cultural Affairs
Department of Corrections
Department of Human Services
Department of Public Safety

Iowa Law Enforcement Academy
Iowa Veterans Home
Iowa Public Television
Iowa Workforce Development
Terrace Hill
Department of Veterans Affairs

BACKGROUND — Major Maintenance List Development

The Department of Administrative Services (DAS) defines major maintenance as the following:

Major maintenance is defined as expenditures made beyond the regular, normal upkeep of physical properties (i.e., Land, Buildings, and Equipment) for the repair or replacement of failed or failing building components as necessary to return a facility to its currently intended use, to prevent further damage, or to make it compliant with changes in laws, regulations, codes, or standards. Tangible personal property as defined in the section "Routine Maintenance Definitions" shall not be eligible for major maintenance funds.

Examples: Roofs, boilers, windows, utility systems, safety systems, and projects intended to comply with building codes and regulations.¹

Responsibility to administer and maintain State buildings is determined in different ways depending on the location of the property, the occupying agency, and the use of the facility. The State of Iowa currently has approximately 64.0 million square feet in building space. The Department of Administrative Services develops and maintains a list of major maintenance projects on certain State facilities. The major maintenance list does not include facilities under the purview of a number of agencies. The Board of Regents, for example, maintains over 39.8 million square feet. Funding for the maintenance and upkeep of these facilities is provided for outside of major maintenance appropriations. A list of agencies that are not included on the

¹ Routine maintenance definition: Expenditures made for the regular upkeep of physical properties (i.e., Land, Buildings, and Equipment) including recurring, preventive, and ongoing maintenance necessary to delay or prevent the failure of physical properties. For purposes of this definition, building operational costs are not considered routine maintenance. Tangible personal property as defined in the "Routine Maintenance Definitions" is not eligible for routine maintenance funds.

major maintenance list is outlined in **Appendix A**. This **Issue Review** will only address agencies and facilities that are on the major maintenance list.

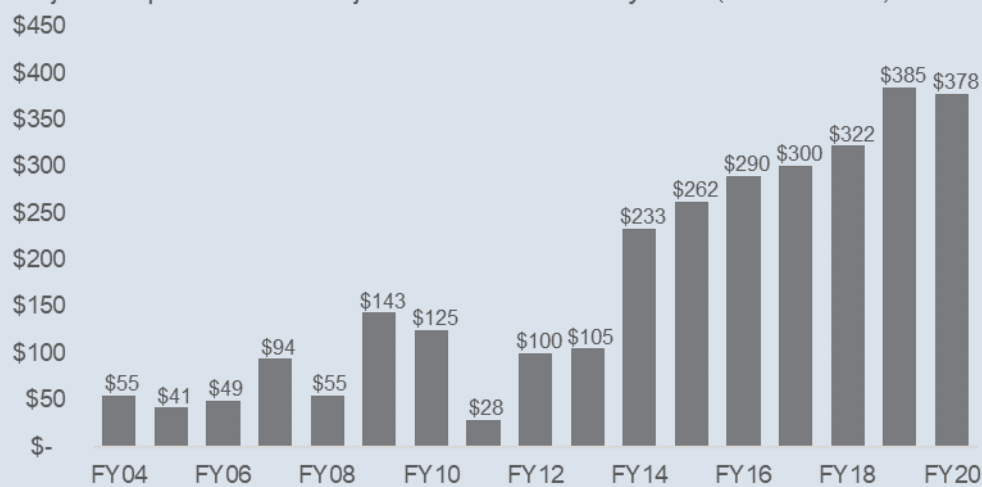
From a square footage perspective, the most significant facilities on the major maintenance list are occupied by the Department of Corrections (DOC), the Department of Human Services (DHS), and the 34 agencies on the Capitol Complex and at the Iowa Labs in Ankeny. These facilities serve a number of purposes including office buildings, laboratories, State Trooper facilities, prisons of varying security levels, the State Historical Building, and various DHS institutions. A full list of agencies on the Capitol Complex is available in **Appendix A**.

The major maintenance list is compiled quarterly by the DAS based upon requests for funding from State agencies. Agencies that receive support for major maintenance projects through the DAS are outlined in the table to the right. These projects are assessed for urgency and ranked in order of priority by the DAS. Each project is intended to restore infrastructure in question to its original state. The DAS also estimates the cost of the project. It is important to note that estimated project costs are based on experience and knowledge, but requested projects have not been out for bid and prospective contractors have not typically estimated the cost of the projects. The chart below provides a recent history of the total requests for major maintenance funding.

Major Maintenance Agencies by Square Feet (in thousands)

Department of Corrections	5,327	42.4%
Department of Human Services	3,462	27.5%
Capitol Complex	2,283	18.2%
Iowa Veterans Home	856	6.8%
Alcoholic Bev Division	182	1.4%
Department of Public Safety	161	1.3%
Department of Cultural Affairs	98	0.8%
IPTV	93	0.7%
Law Enforcement Academy	47	0.4%
Terrace Hill	31	0.2%
Veterans Affairs	28	0.2%

Project Requests on the Major Maintenance List by Year (dollars in millions)



Note: Changes in the method that projects are reported resulted in a sudden increase in the major maintenance list from FY 2013 to FY 2014.

The Design and Construction Resource Bureau, under the DAS, administers public improvement projects, including design services, contracting for construction, and construction management oversight. Generally speaking, the Design and Construction Resource Bureau can manage around 140 projects at a time. The Bureau is funded by fees paid to the Bureau for project management services. The rate for FY 2020 is \$90 per hour and will increase to \$95 per hour in FY 2021. The FY 2019 budget for the Bureau was approximately \$1.0 million.

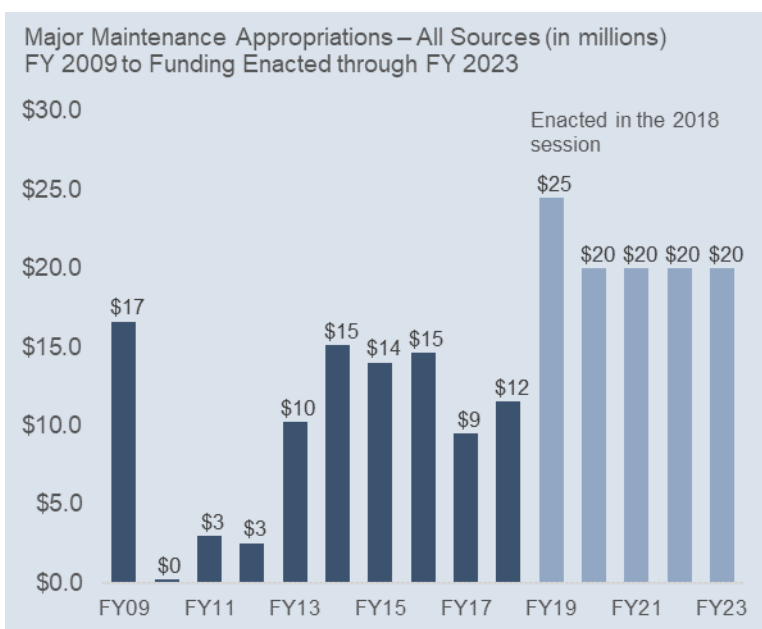
According to the DAS, the rate is based on actual expenditures and is billed to the infrastructure projects.

The Bureau is responsible for the assessment and ranking of project requests.² The Bureau categorizes each project as follows ([procedures](#)):

- Threats to health, life, and safety, and emergency repairs.
- Nonemergency repairs to prevent building deterioration.
- Upgrades to increase accessibility and compliance in accordance with the federal Americans with Disabilities Act (ADA).
- Scheduled maintenance to prolong equipment life.
- Projects to increase operational or energy efficiency.
- Building demolition for unused buildings.

Funding

Major maintenance is funded through annual appropriations made by the General Assembly to the DAS. The chart to the right tracks the history of major maintenance appropriations. Since FY 2009, the Rebuild Iowa Infrastructure Fund (RIIF) has been the single largest source of funding for major maintenance. Between FY 2009 and FY 2012, major maintenance funding was provided primarily through bond proceeds. Between FY 2013 and FY 2019, \$102.0 million, or 87.4%, of appropriations for major maintenance were funded by the RIIF. In the 2018 Legislative Session, major maintenance



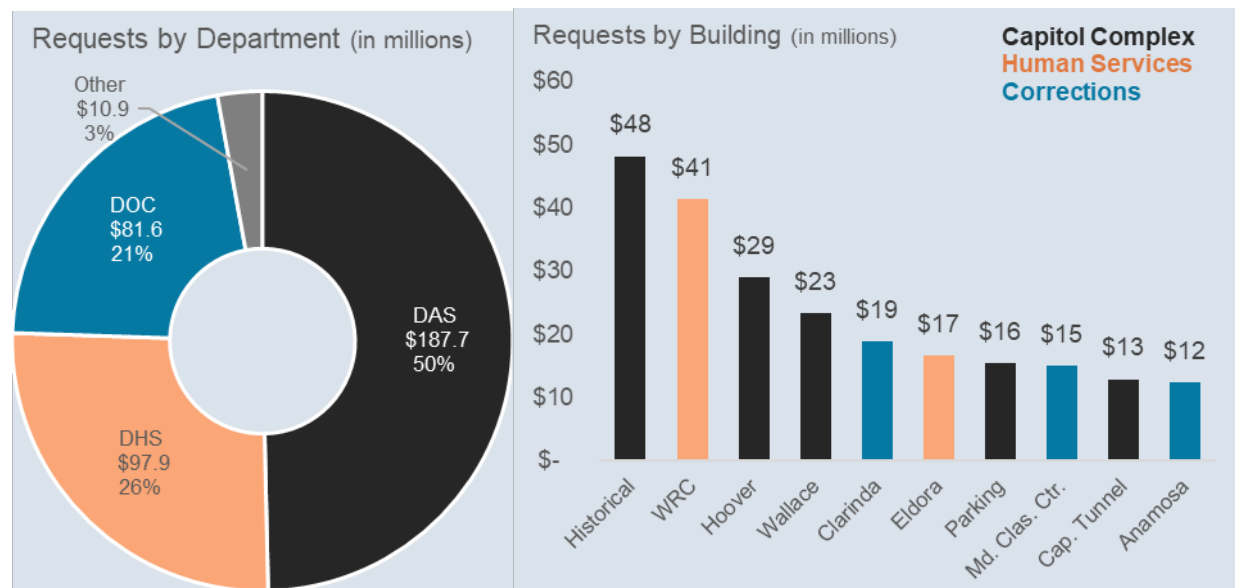
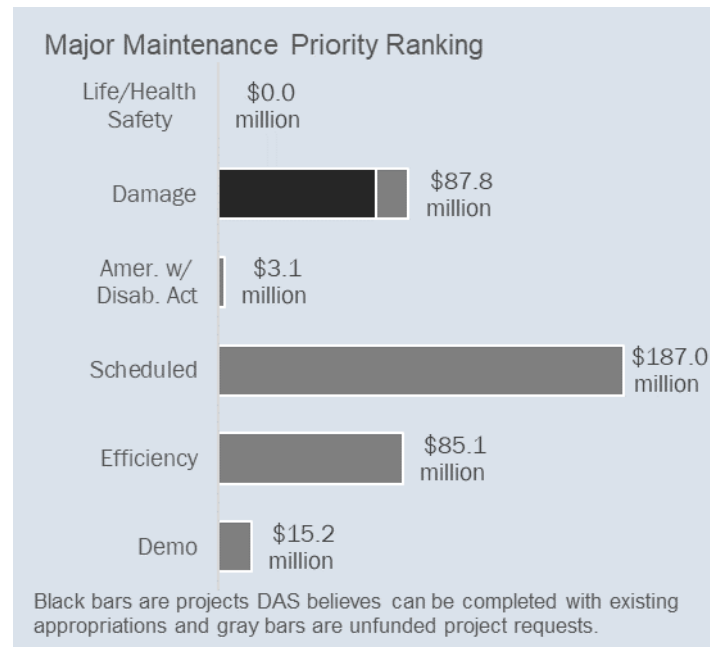
appropriations were enacted for five consecutive years. In total, \$104.5 million has been appropriated from FY 2019 to FY 2023. This five-year period represents the largest level of sustained funding appropriated for major maintenance projects.

² Project requests on the Capitol Complex are determined by the DAS.

CURRENT SITUATION

The most recent version of the major maintenance list was provided to the Legislative Services Agency in August 2019. State agencies submitted projects totaling \$378.2 million to the DAS to be included on the major maintenance list. The types of projects by priority are provided in the chart to the right. The DAS anticipates that moneys appropriated through FY 2023 will fund \$72.6 million of the projects categorized as damage. Currently, there are no projects considered life/health and safety. This leaves \$305.6 million in projects that are otherwise classified and unfunded.

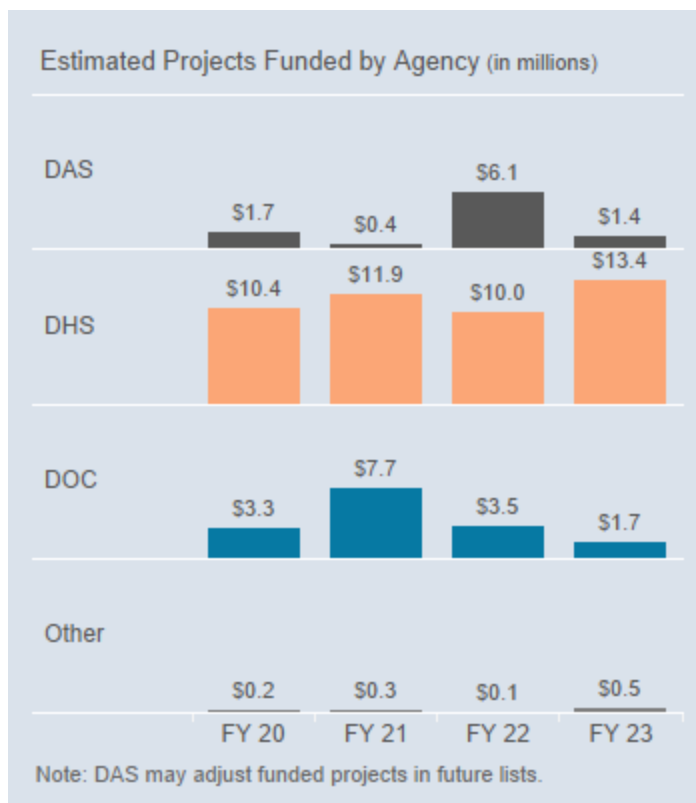
The current major maintenance list has 460 projects (including one contingency project). As previously noted, the DOC (5.3 million square feet) and the DHS (3.4 million square feet) comprise the majority of square feet on the major maintenance list. Significantly, the Capitol Complex comprises the majority of the major maintenance list projects despite only totaling 17.4% of the total square footage. Other facilities may have significant projects that will be submitted in the future, but that is currently unknown. Not all agencies have the same resources dedicated to facilities management, and more significant projects may be added in future versions. The chart below reflects \$378.2 million in project requests classified by building. For several of these buildings, major components of the facility need replacement. The State Historical Building has a number of failing components, the Woodward Resource Center (WRC) has failing utility tunnels, and both the Hoover Building and Wallace Building have planned HVAC replacements with estimated costs of \$23.3 million and \$20.2 million, respectively.



The chart to the right shows estimated costs for projects that the DAS expects to be funded by fiscal year and the department that manages the building. Although the DAS has identified the order in which requests will be funded, the plan may change as projects are reevaluated, new projects are requested, and alternatives are identified. A few of the major planned projects in this time frame include a utility decentralization at the Woodward Resource Center, a tunnel decentralization at the State Training School, and repair of the State Historical Building roof. In total, projects by department include \$45.7 million for the DHS, \$16.2 million for the DOC, \$9.6 million for the DAS, and \$1.1 million for other State agencies.

Options to renovate State facilities on the major maintenance list have been discussed in recent years. The

Governor has recommended remodeling the existing State Historical Building, and the 2019 Legislature established a task force to consider relocating the State Historical Building to the Iowa State Fairgrounds. The funding required to renovate the State Historical Building and remove it from the major maintenance list could vary from just under \$50.0 million (the cost to fix the current property) to over \$100.0 million, the expense to build a new structure based on prior design work. Though recent estimates have not been made, the Wallace Building was considered for a renovation in 2012 and 2013. The DAS has estimated the cost to renovate the Wallace Building at \$60.0 million.



SCENARIOS

This section will model the future balance of the major maintenance list using six different funding scenarios. The projections incorporate four variables: two that are adjusted in the estimate and two that are static in the estimate.

Adjusted Variables (Variables are under control of the General Assembly.)

- 1. Annual Funding:** The six scenarios will use different levels of funding to forecast the changes to the major maintenance list. With the exception of FY 2020 through FY 2023, which have already been funded, the selected funding level for each scenario will remain static for each year and will not increase with inflation.
- 2. Individually Funded Buildings:** The projections will assess the effects of funding all projects in one facility with appropriations separate from the major maintenance list. Funding a full remodel will remove all projects associated with that building from the major maintenance list. Three of six scenarios will include estimates to renovate the State Historical Building and the Wallace Building. No other estimates for full remodels have recently been completed.

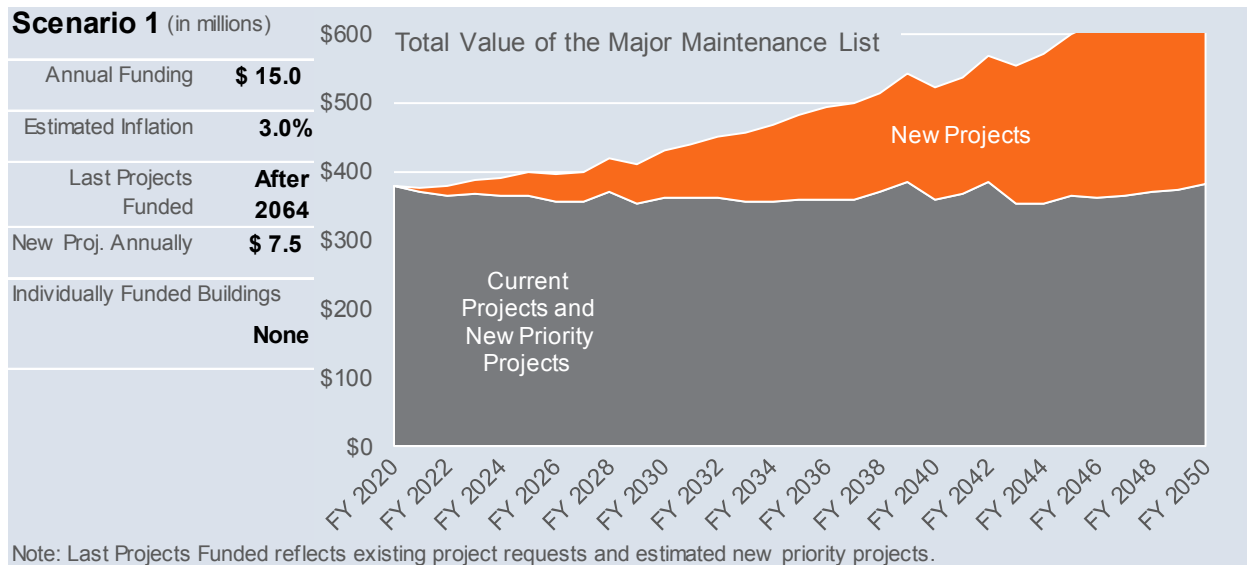
Static Variables (Variables not determined by the General Assembly that cannot be estimated with complete accuracy.)

- 1. Inflation:** Project costs for each scenario are adjusted for inflation. Projects are accounted for individually, meaning that large projects, HVAC being a primary example, may require more than one year of funding. The level of inflation that will occur in the future is difficult to estimate; for the purposes of these projections, inflation is estimated at 3.0%. These projections are unable to account for the fluctuations in the market, which may increase the cost for bids in a given year beyond the expected level of inflation.
- 2. New Projects per Year:** The projections estimate \$7.5 million in projects will be added to the major maintenance list per year and the cost of these projects increases with inflation. It is assumed that 25.0% of the new projects each year will be priority projects and will be funded at the same time as existing projects. These estimates do not account for the failure of major building components that may occur. A recent example of a sudden problem is the black mold issue at the Iowa Law Enforcement Academy, which required immediate mitigation. Funding to renovate this facility was appropriated during the next session in 2018.

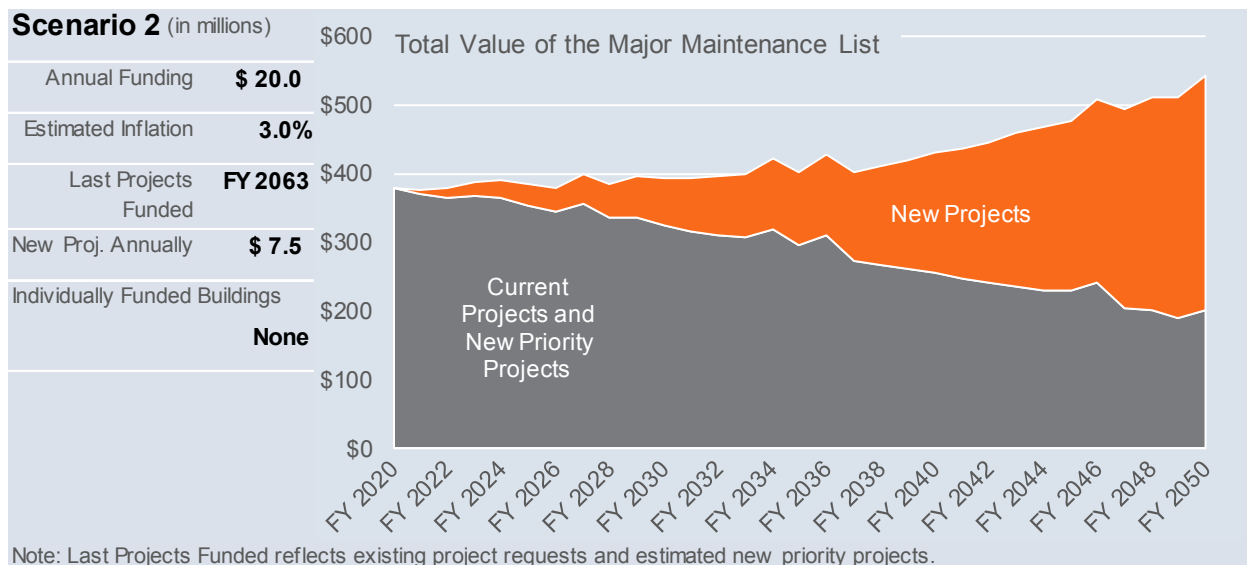
The table below provides a preview of the variables used in each scenario.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
Annual Funding	\$15.0 m.	\$20.0 m.	\$25.0 m.	\$25.0 m.	\$25.0 m.	\$25.0 m.
Building Projects	none	none	none	Historical	Wallace	Historical & Wallace
Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
New Projects per Year	\$7.5 m.	\$7.5 m.	\$7.5 m.	\$7.5 m.	\$7.5 m.	\$7.5 m.

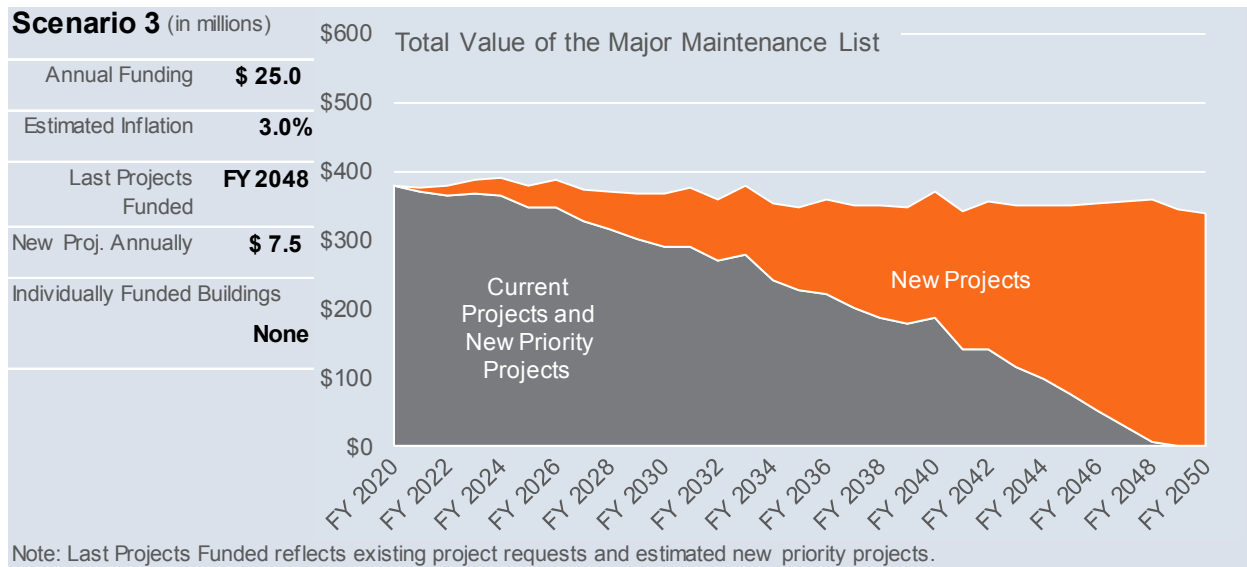
Scenario 1 forecasts the impact to the major maintenance list if the General Assembly were to appropriate \$15.0 million per year in perpetuity. This funding level is close to the average funding that was provided to the major maintenance list per year prior to the multiyear appropriations enacted in FY 2019. In this scenario, the General Assembly does not fund any building projects individually. In this case, the total cost of the major maintenance list (both areas combined) is estimated to increase at an average rate of 2.9%. Due to inflation, annual funding of \$15.0 million per year is estimated to be insufficient to pay down the projects that are currently on the major maintenance list (**gray area** following on the chart). **Scenario 1** is unable to determine if the funding provided in this scenario will be sufficient to eliminate the existing major maintenance backlog.



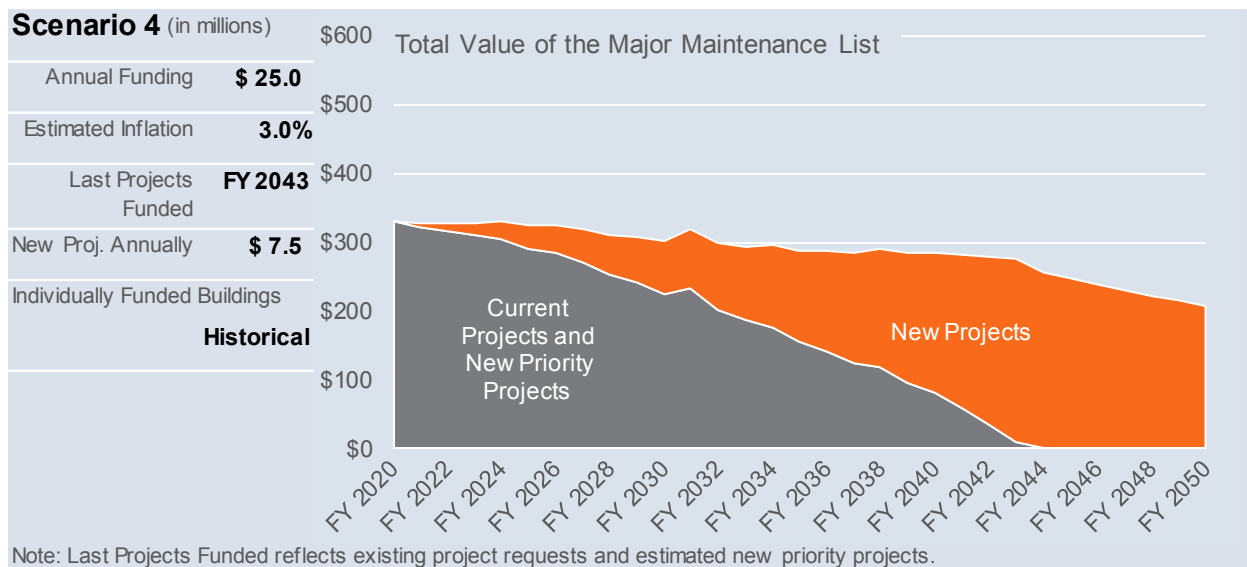
Scenario 2 assumes the General Assembly will appropriate \$20.0 million per year. This funding is close to the average of \$20.9 million in funding appropriated from FY 2019 to FY 2023. In this scenario, the General Assembly does not fund any building projects individually. The total cost of the major maintenance list is estimated to increase at an average rate of 1.8% per year. Due to inflation, annual funding of \$20.0 million per year is estimated to slowly pay down the projects that are currently on the major maintenance list. **Scenario 2** estimates that the current backlog of projects may be eliminated in FY 2063.



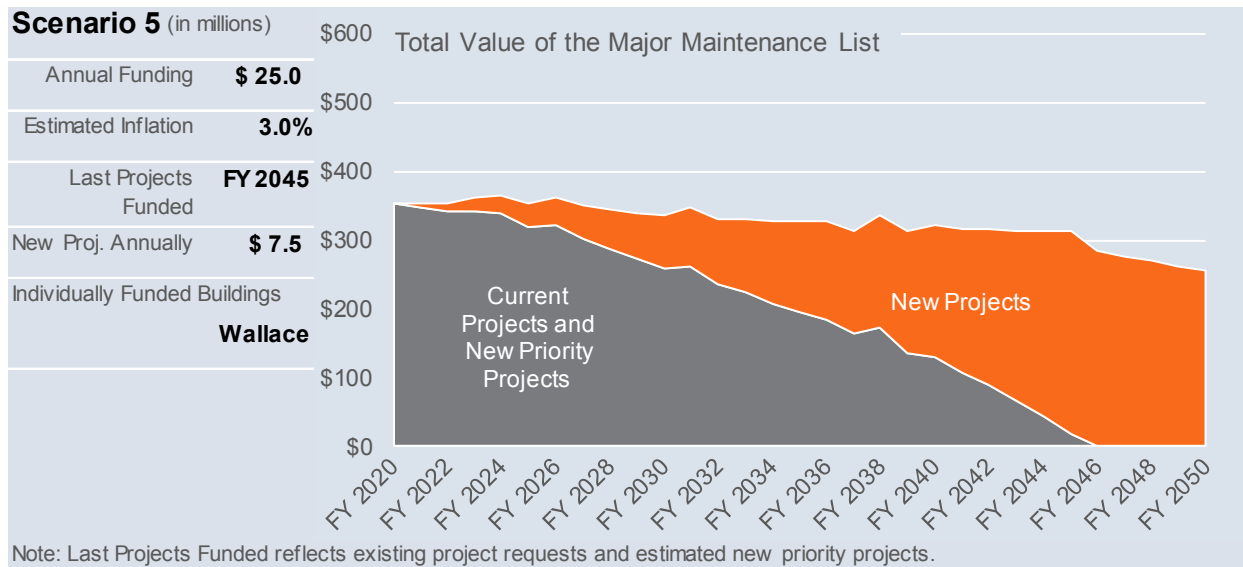
Scenario 3 assumes the General Assembly will appropriate \$25.0 million per year. This funding would be the highest average annual funding level historically ever provided by the General Assembly. In this scenario, the General Assembly does not fund any building projects individually. The total value of the major maintenance list will not grow in this scenario, and the current backlog of projects is estimated to be gradually eliminated. **Scenario 3** estimates that the current backlog of projects may be eliminated in FY 2048.



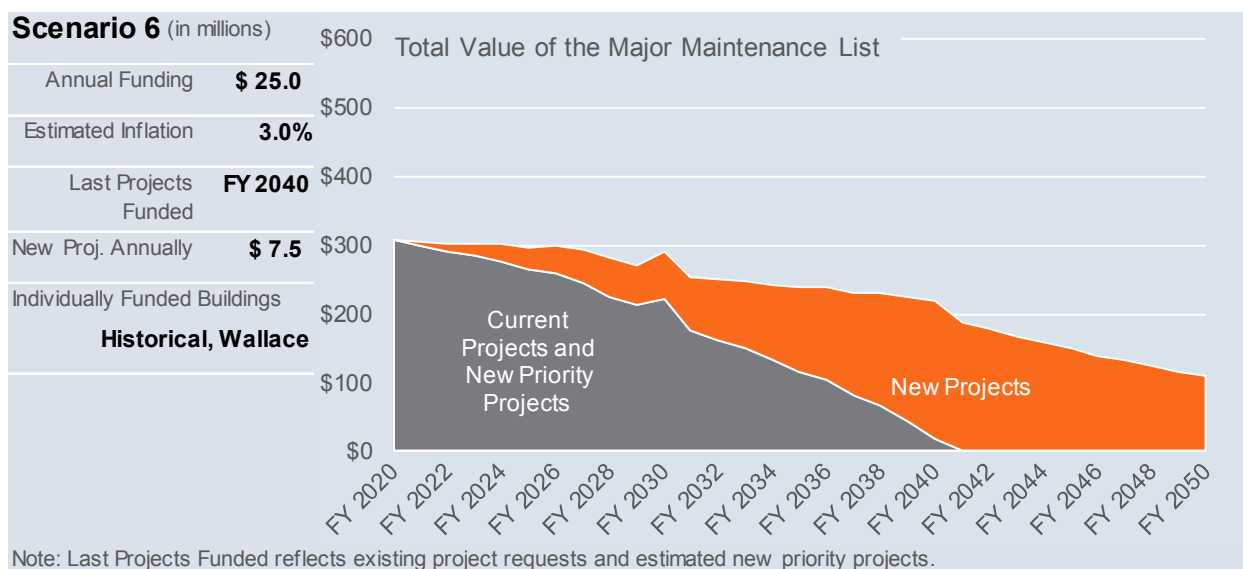
Scenario 4 assumes the General Assembly will appropriate \$25.0 million per year and fund a project that eliminates a \$53.8 million backlog of maintenance associated with the State Historical Building. The funding required to remove the State Historical Building from the major maintenance list could vary from just under \$50.0 million, the cost to fix the current property or over \$100.0 million, the expense to build a new structure based on prior design work. This scenario will require more upfront funding, but will also eliminate the current projects on the list in less than 25 years.



Scenario 5 assumes the General Assembly will appropriate \$25.0 million per year and fund a project that eliminates a \$23.4 million backlog of maintenance associated with the Wallace Building. The DAS has estimated the cost to renovate the Wallace Building at \$60.0 million. Again, this scenario will require substantial upfront funding, but will prevent growth in the total value of the major maintenance list. The list of existing projects could be eliminated by FY 2045 under this scenario.



Scenario 6 forecasts the impact to the major maintenance list if the General Assembly appropriates \$25.0 million per year in perpetuity and funds a project that eliminates the maintenance backlogs associated with the Wallace and State Historical Buildings. The total estimated upfront cost for both of these buildings could range from \$110.0 million to \$160.0 million. Any appropriations for these buildings will require appropriations over several years. Again, this scenario will require substantial upfront funding, but prevent growth in cost of the major maintenance list. The list of existing projects could be eliminated by FY 2042 under this estimate.



ALTERNATIVES

This **Issue Review** assesses options for paying down the current major maintenance list. However, making large appropriations for major maintenance is not the only method that the General Assembly can use to address the maintenance backlog, and may not be the most cost efficient. Determining the best method to eliminate a maintenance backlog is beyond the scope of this **Issue Review**, but a few examples of different strategies will be discussed in this section.

Major Maintenance List and Renovations. The General Assembly may consider if the major maintenance list is the best method to repair and maintain State buildings. Such an endeavor will require the cooperation of the DAS and potentially outside consultants (which may require additional funding). In certain circumstances, complete facility renovations may be more cost effective and efficient than replacing major building components as funding becomes available.

The General Assembly may also consider enacting further multiyear appropriations. Stable and predictable funding will allow the DAS to conduct multiple projects simultaneously on a single facility, potentially reducing the overall cost of two or more projects.

Facility Assessments. The General Assembly could fund comprehensive building assessments for major departments including the DOC, the DHS, and the Capitol Complex. For example, the assessment could develop routine maintenance targets that would provide funding goals for the General Assembly to appropriate. Routine maintenance is recurring preventive maintenance that can prevent or slow the degradation of building components. In 2012, the Baker Group completed a white paper for the Capitol Complex that provided a target for routine maintenance funding for buildings on the Capitol Complex. No such analysis has been completed in the past five years for facilities occupied by the DOC and the DHS.³

Capital Assets Database. The National Association of State Budget Officers (NASBO) released a report in 2014 regarding capital budgeting in the states.⁴ This report considers the creation of a capital asset inventory as a best practice.⁵ Iowa was reported as one of six states that does not have a capital asset database. The DAS does have some of the components of a capital asset database and has continued to collect additional information regarding state facilities. Items included on lists maintained by other states include facility age, condition, degree of use, operating costs, and replacement cost.

Alternative Construction Methods. The General Assembly could allow the DAS to examine alternative construction methods when considering remodels. In 2012, the DAS contracted with construction management companies, which developed scenarios to remodel the Wallace Building. As an example, one scenario proposed selling the Wallace Building to a developer which, in turn, would remodel or demolish and rebuild the Wallace Building and rent the facility back to the State. The report also reviewed the cost to demolish and rebuild the facility under the ownership of the State. However, alternative methods of construction may not be ideal for all facility types.

Alternative Financing Methods. The General Assembly could consider the issuance of revenue bonds to fund the major maintenance list and the replacement or remodel of certain facilities. Most recently, the General Assembly issued bonds in 2010 to fund the construction of Fort Madison (Iowa State Penitentiary). The last payment for these bonds will be in FY 2027.

Leasing Office Space. The General Assembly could consider leasing additional office space for State agencies. Currently, a number of State agencies lease space in Des Moines and elsewhere.

³ If DHS and DOC facilities are studied in more detail, it may be necessary to also review the suitability of each facility for the mission it is performing. A building may be in fine physical condition but unsuited for the function for which it is used.

⁴ National Association of State Budget Officers, Capital Budgeting in the States, www.nasbo.org/mainsite/reports-data/capital-budgeting-in-the-states, May 2014.

⁵ Capital asset inventories are inventories of long-term assets that are generally property, buildings, or other fixed assets.

CONCLUSION

The table below compares estimates from each scenario. Funding levels at or near historic levels (\$15.0 million per year) will not eliminate the existing list of projects even after 45 years of sustained appropriations. It is estimated that annual funding of at least \$25.0 million per year will be necessary to eliminate the existing maintenance backlog within 25 years. Additional upfront funding to renovate existing properties would accelerate the pace at which maintenance projects can be addressed. The State Historical Building's list of major maintenance requests currently exceeds \$48.2 million; it is the facility with the largest value of requests.

Major Maintenance Funding Scenarios

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
Annual Funding	\$15.0 m.	\$20.0 m.	\$25.0 m.	\$25.0 m.	\$25.0 m.	\$25.0 m.
Current List Completed and New Priorities	After FY 2064	FY 2063	FY 2048	FY 2043	FY 2045	FY 2040
Cost to Complete Current List (plus inflation)	\$910.7 m.	\$689.2 m.	\$593.7 m.	\$539.0 m.	\$542.1 m.	\$511.9 m.
Estimated Facility Renovations	\$0	\$0	\$0	\$50.0 m.	\$60.0 m.	\$110.0 m.
Facilities Renovated	none	none	none	Historical	Wallace	Historical & Wallace

The analysis presented in this ***Issue Review*** suggests that current methods for funding major maintenance will require sustained long-term funding to eliminate projects in less than 30 years.

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Appendix A — Facts and Figures

Other State Agencies Not on Major Maintenance List

Independently Managed Maintenance

Board of Regents	39,774
Department of Public Defense	4,100
Department of Transportation	4,074
Department of Natural Resources	2,772
Community-Based Corrections	663
Judicial Branch	125
Department for the Blind	119
Iowa Public Employee Retirement Sys.	46
Iowa Finance Authority	31

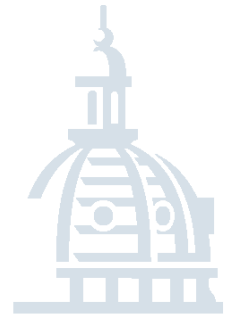
Agencies on Capitol Complex and Iowa Labs

Capitol Complex Occupants

Dept. of Agriculture and Land Stewardship	Department of Transportation
Attorney General	Economic Development Authority
Auditor of State	Governor/Lt. Governor's Office
Board of Parole	Governor's Office of Drug Control Policy
Civil Rights Commission	Homeland Security and Emergency Mgmt.
Department of Administrative Services	Judicial Branch (ineligible for Major Maintenance)
Department on Aging	Legislative Branch
Department of Commerce	Department of Inspections and Appeals
Department of Corrections	Iowa Commission for the Blind
Department of Cultural Affairs	Iowa Ethics and Campaign Disclosure Board
Department of Education	Iowa Telecommunications and Tech. Comm.
Department of Human Rights	Iowa Workforce Development
Department of Human Services	Office of the Chief Information Officer
Department of Management	Public Employment Relations Board
Department of Natural Resources	Public Information Board
Department of Public Health	Secretary of State
Department of Public Safety	State Library
Department of Revenue	Treasurer of State

Iowa Lab Occupants

Dept. of Agriculture and Land Stewardship
Department of Public Health
Department of Public Safety
University of Iowa



Building Maintenance on State Facilities

NOTE: Revised and republished with updated information on January 11, 2018.

ISSUE

This **Issue Review** discusses funding, strategies, and outstanding projects to maintain buildings owned and operated by the State. The **Issue Review** examines all agencies that manage property. With the exception of the Board of Regents, information included in this **Issue Review** was reported directly to the Legislative Services Agency (LSA) by State agencies for the purposes of this report. Information from the Board is from its annual Facilities Governance Report.

DEFINITIONS

Maintenance activities are defined differently by separate organizations. As a result, the deferred maintenance totals discussed in this **Issue Review** will vary in several key places. For many agencies, deferred maintenance estimates are derived from the major maintenance list maintained by the Department of Administrative Services (DAS). However, State agencies responsible for their own maintenance projects (see page 2) will track deferred maintenance by definitions set within each department.

Department of Administrative Services (DAS) (definitions)

Major Maintenance:

Major maintenance is defined as expenditures made beyond the regular, normal upkeep of physical properties (i.e., Land, Buildings, and Equipment) for the repair or replacement of failed or failing building components as necessary to return a facility to its currently intended use, to prevent further damage, or to make it compliant with changes in laws, regulations, codes, or standards. Tangible personal property as defined in the section "Routine Maintenance Definitions" shall not be eligible for major maintenance funds.

Examples: roofs, boilers, windows, utility systems, safety systems, and projects intended to comply with building codes and regulations.

Routine Maintenance:

Expenditures made for the regular upkeep of physical properties (i.e., Land, Buildings, and Equipment) including recurring, preventive, and ongoing maintenance necessary to delay or prevent the failure of physical properties. For purposes of this definition, building operational costs are not considered routine maintenance. Tangible personal property as defined in the Routine Maintenance Definitions is not eligible for routine maintenance funds.

Examples: painting, sealing, parking lot and sidewalk repairs, routine tuck pointing, repairs to building components, upkeep of building alarm systems, and pest controls.

Board of Regents (definition)

Deferred Maintenance:

Deferred maintenance is the repair or replacement of all, or a part of, an existing capital asset that was not repaired or replaced at the appropriate time because of a lack of funds. Deferred maintenance is dependent upon time and is sometimes referred to as "capital renewal backlog." Replacement of a building or infrastructure system or component when it should be replaced is building renewal, not deferred maintenance. Deferred maintenance results from inaction on normal maintenance, including planned and preventive maintenance, and renewal and replacement projects.

MAINTENANCE RESPONSIBILITIES

Maintenance of State-owned property in Iowa is funded and managed in different ways depending on the location of the property, occupying agency, and use of the facility. For non-Board of Regents facilities, the type of maintenance occurring – routine maintenance compared to major maintenance – also impacts how maintenance activities are financed and managed. In total, the State of Iowa owns and is responsible for 58.0 million square feet of building space.

Responsibility to maintain State property is organized into three different categories. First, several agencies manage all maintenance that occurs on agency-occupied properties. The largest of these agencies is the Board of Regents, which manages a total of 39.8 million square feet of building space. The second largest is the Department of Transportation (DOT). The DOT operates 1,174 facilities, totaling 4.1 million square feet. The Department of Public Defense (DPD) manages a total of 4.1 million square feet and the Department of Natural Resources (DNR) manages 2.8 million square feet. There are also a number of smaller agencies that manage all maintenance. These are listed in **Table 1** and include the Department for the Blind, Iowa Public Employees' Retirement System (IPERS), Iowa Finance Authority (IFA), and the Lottery Authority. The Judicial Branch also manages the Judicial Building.¹

The second category requires agencies to submit major maintenance projects to the DAS and manage routine maintenance projects on facilities outside the Capitol Complex. The DAS reviews and manages major maintenance projects. Projects are selected based upon set priorities. The two largest agencies that fall under this arrangement are the Department of Human Services (DHS) and the Department of Corrections (DOC). Major maintenance is most often funded through line-item appropriations from the Rebuild Iowa Infrastructure Fund (RIIF). Routine maintenance projects for these agencies are funded in operating budgets which often receive the majority of support from the General Fund.

Finally, the DAS manages routine maintenance and major maintenance on all facilities on the Capitol Complex. In these cases, the agencies pay an association fee to the DAS that funds routine maintenance and the DAS monitors these properties for major maintenance needs.²

Table 1 – Maintenance Responsibilities by Department³

Department Maintains All Facilities		Dept. Manages Routine Maintenance DAS Manages Major Maintenance			Major Maintenance and Capitol Complex
• Board of Regents	• IPERS	• DHS	• ABD	• IVH	• DAS
• Dept. for the Blind	• IFA	• DOC	• IPTV	• IWD	
• DOT	• Judicial Branch	• DPS	• ILEA		
• DNR	• Lottery Authority				
• DPD	• CBCs				

¹ County-owned courthouses are not reviewed in this **Issue Review**.

² This **Issue Review** does not discuss routine maintenance conducted on ceremonial space.

³ This table does not include facilities not on the Capitol Complex that are managed by the Department of Cultural Affairs (DCA). The Historical Building is on the Capitol Complex and managed by the DAS. Historical sites are managed by the DCA, but are not included in this **Issue Review**.

STATUS OF STATEWIDE MAINTENANCE

DAS, Capitol Complex, Iowa Labs, and Major Maintenance

The Capitol Complex includes the buildings, facilities, and grounds around the Capitol Building and the Iowa Crime Labs in Ankeny. The Capitol Complex consists of 14 major buildings with 2.1 million square feet and is estimated to accommodate nearly 4,000 employees.⁴ Over 37 agencies have offices on the Capitol Complex and receive routine maintenance support exclusively through the DAS.

Agencies on the Capitol Complex pay an annual association rate to the DAS to fund a number of services, including routine maintenance. These association fees are a portion of each agency's budget, and must be considered within an agency's annual budget. Iowa Code section [7E.5A](#) identifies an industry standard of 1.0% of the replacement cost of a facility for budgeting for routine maintenance. During the past several years, this goal has been unmet.

The routine maintenance portion of the association fee was established relatively recently. Beginning in FY 2016, the DAS dedicated a portion of the association fee to funding routine maintenance. Prior to the establishment of this charge for routine maintenance, routine maintenance had not had a dedicated funding stream since FY 2010, when funding was appropriated from the RIIF. The DAS collected \$2.9 million in FY 2017 and is estimated to collect \$2.9 million in FY 2018, and \$3.1 million in FY 2019 through association fees for routine maintenance on the Capitol Complex.⁵ Based on a conservative estimate of a \$150 per square foot replacement value, a 1.0% target for a routine maintenance budget would require \$3.5 million.⁶ Separately, the Capitol Planning Commission recommended a total of 2.0% of replacement value to be devoted to routine maintenance on the Capitol grounds.

As noted, the DAS receives major maintenance project requests from agencies, assesses the requests, and manages the projects. Requests for major maintenance are submitted to the DAS by a number of agencies (agencies that do not submit requests to the DAS are listed in **Table 1**). These projects are aggregated on the major maintenance list, which also provides a picture of deferred maintenance. **Chart 1** displays the total estimated cost of projects requested from FY 2004 through the first quarter of FY 2018. The estimated cost of projects on the list has increased steadily since FY 2011, with the first decrease occurring in the first quarter of FY 2018. According to an assessment by the Baker Group in 2013,⁷ the increase in deferred maintenance is attributable to under-resourced maintenance activities.⁸ The large increase in major maintenance projects in FY 2014 (see **Chart 1**) is also attributable to increased scrutiny after assessments by the Baker Group. This latest decrease may be temporary; the majority of these annual totals were summed early in the fiscal year after departments had submitted annual budget requests.

⁴ Department of Administrative Services and Capitol Planning Commission, [Iowa State Capitol Complex Master Plan](#) (December 2016).

⁵ [Capitol Planning Commission FY 2016 Annual Report](#) (December 2016).

⁶ Id.

⁷ The Baker Group is a general contractor that provides a number of services including building assessments.

⁸ State of Iowa Capitol Complex: Deferred Maintenance Review, Baker Group (February 14, 2013).

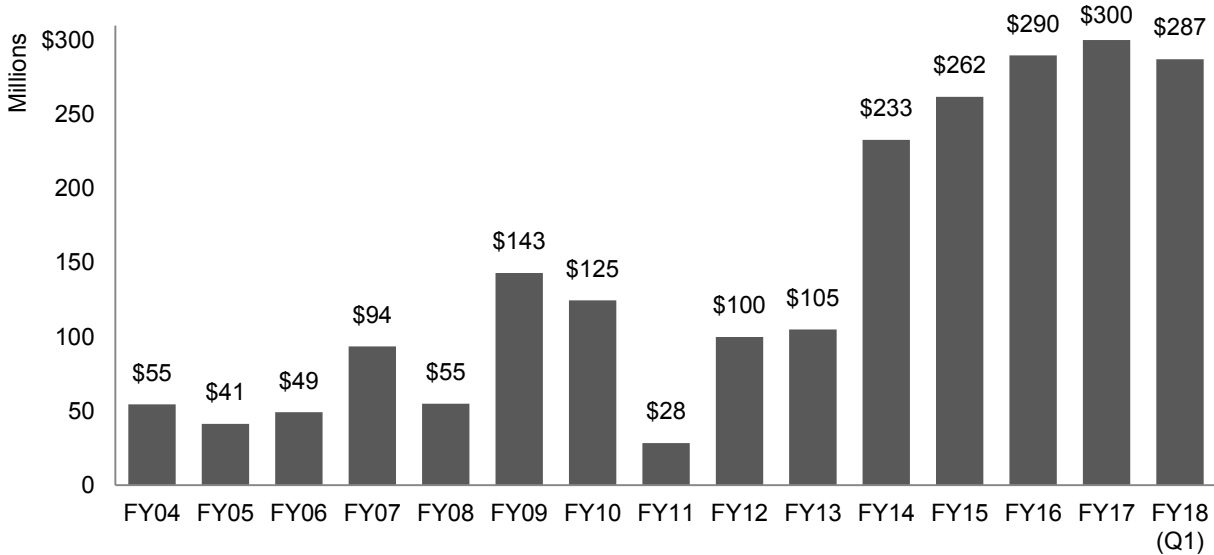
Chart 1 – Unfunded Major Maintenance Requests FY 2004 – FY 2018 (as of August 2017)

Chart 2 tracks the history of major maintenance appropriations. Between FY 2004 and estimated FY 2018, the RIIF was the single largest source of funding for major maintenance. The General Assembly has appropriated from several funds – most significantly, the Vertical Infrastructure Fund (VIF), which was created for the purpose of funding building infrastructure. The VIF provided \$55.6 million in funding between FY 2006 and FY 2008, and has not provided funding since FY 2008. Between FY 2009 and FY 2012, major maintenance funding was provided primarily through bond proceeds. Since FY 2013, \$70.3 million, or 87.9%, of appropriations for major maintenance were funded by the RIIF. The period since FY 2013 was the most stable period of appropriation levels, with annual funding between \$9.5 million and \$15.1 million.

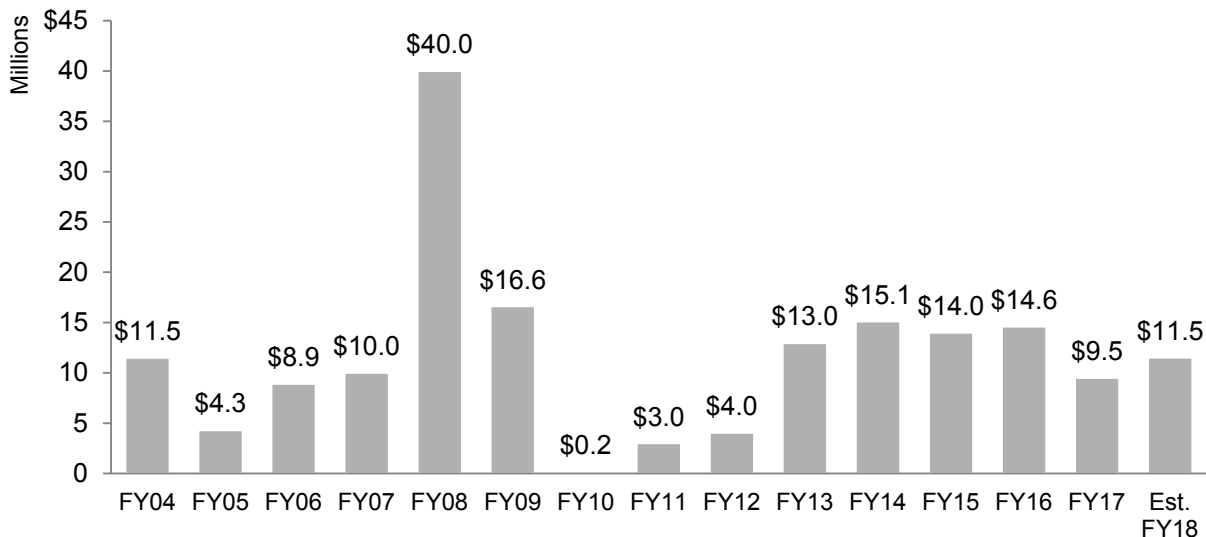
Chart 2 – Major Maintenance Appropriations

Chart 3 shows major maintenance projects by priority ranking. The DAS prioritizes projects based upon purpose ([Major Maintenance Priority Recommendations](#)). Since FY 2013, the percentage of total projects in each category has remained relatively stable.

Chart 3 – FY 2018 (Q1) Major Maintenance Requests Project by Priority

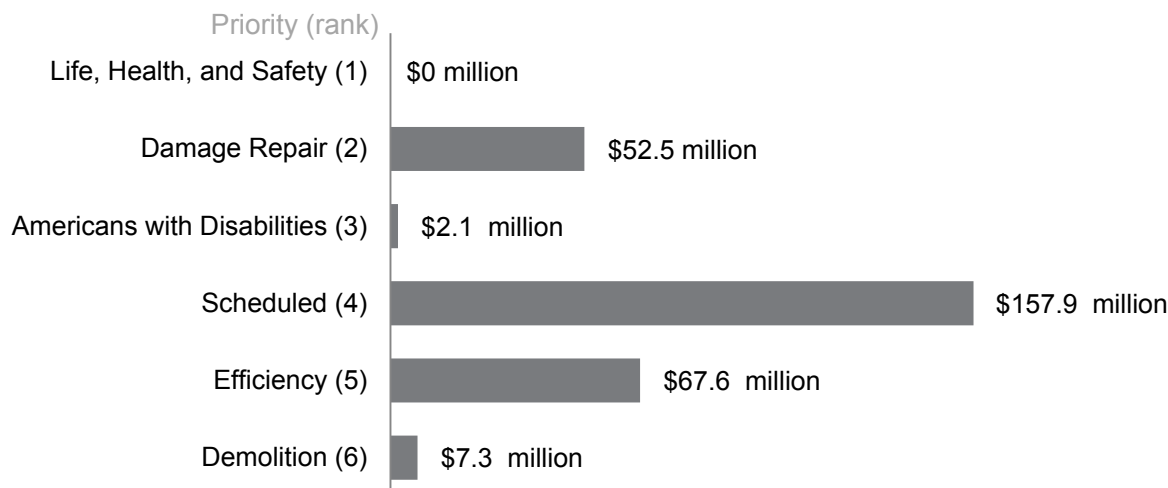


Chart 4.1 displays projects on the major maintenance list by managing agency. Capitol Complex facilities, totaling 2.1 million square feet, comprise the majority of projects from a dollar perspective. Facilities for the DHS and DOC make up the majority of the rest of the requests.

Chart 4.2 also displays major maintenance funding requests by Capitol Complex buildings. The two buildings with the most expensive total requests are the Hoover and Wallace buildings. In both of these instances, requests for Heating, Ventilation, and Air Conditioning (HVAC) renovations are driving the majority of the need. The Historical Building has nine projects listed in the current plan, for a total request of \$16.0 million.

Chart 4.1 – Major Maintenance Projects by Department (FY 2018 Q1)

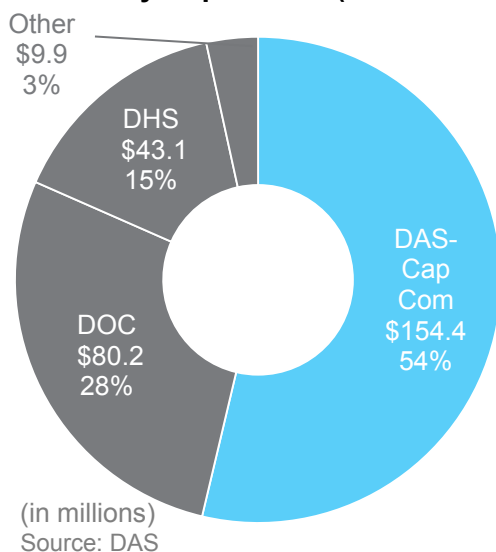
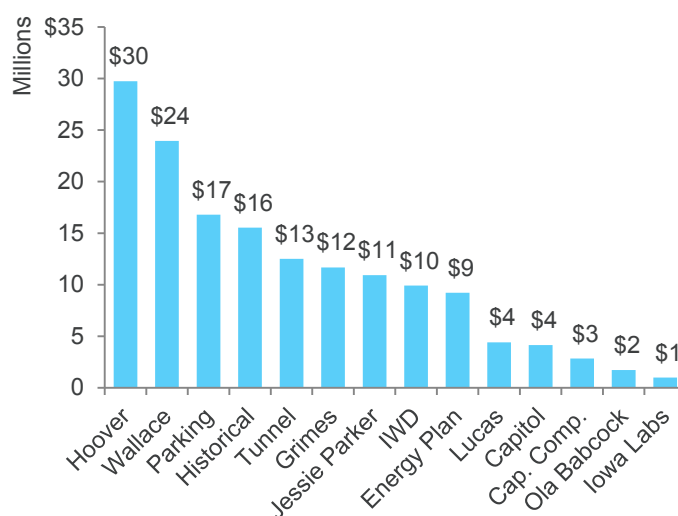


Chart 4.2 – Capitol Complex Major Maintenance Requests by Building



Major Agencies that Manage All Maintenance

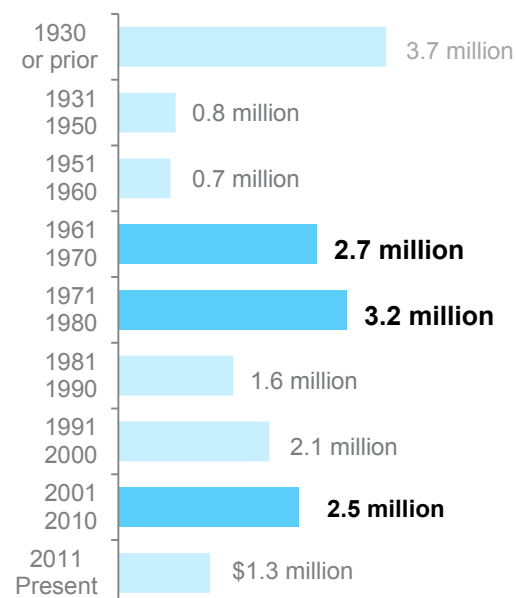
This section will review the maintenance activities of several major agencies that manage all of their maintenance activities. This section excludes several agencies, including those that occupy less than one million square feet, are owned by the State, and that manage all aspects of their facilities. These smaller agencies are discussed on page 14. The agencies discussed in this section may define maintenance differently from DAS. The phrase “major maintenance” is not generally used, but the definition of routine maintenance still generally aligns with the definition used by the DAS.

Board of Regents

The Board of Regents is the largest agency that manages all of its facilities’ maintenance activity. The individual universities and special schools⁹ manage all maintenance projects and submit large capital projects (such as building renovations) to the Board. The Board in turn can submit these project requests to the Governor in the annual Department budget request. The Board annually submits a Facilities Governance Report that provides information on all Regents facilities. The Report reviews existing deferred maintenance needs, expenditures, and general information regarding Regents properties. In Iowa, a large number of facilities were completed in the 1960s and 1970s, a development boom that reflected national trends.

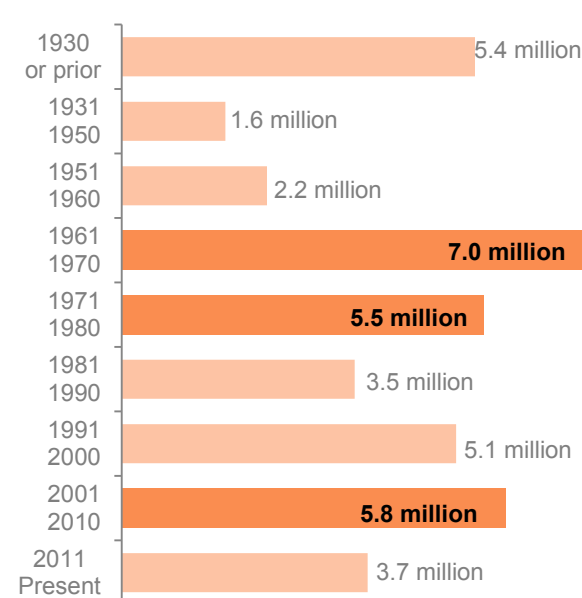
Chart 5 below shows building completion by year. Construction for Academic, Research, and Administrative buildings is represented in the blue chart, and all Regents facilities are represented in orange. The 1960s and 1970s were the biggest decades for construction, while the 2000s was the decade with the third most construction. In total, the Board of Regents manages facilities that total 39.8 million gross square feet: 18.5 million gross square feet of the total is for academic, research, and administrative purposes, and 21.3 million gross square feet is for other purposes.¹⁰

**Chart 5 – Regents Construction by Year
Academic, Research, Admin. Square Feet**



Source: Board of Regents

**Regents Construction by Year
Total Square Feet**

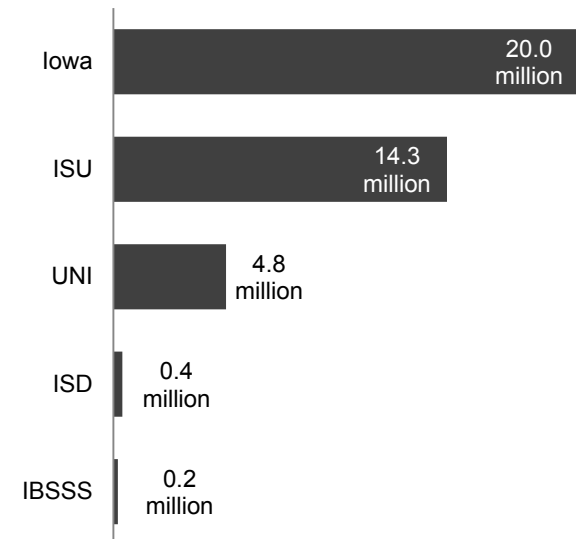
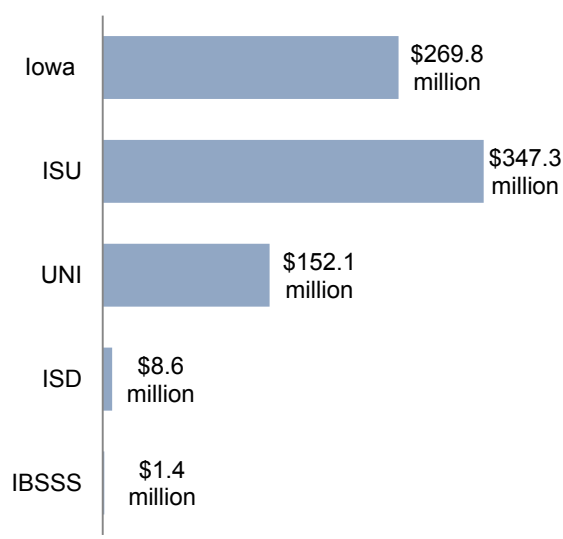
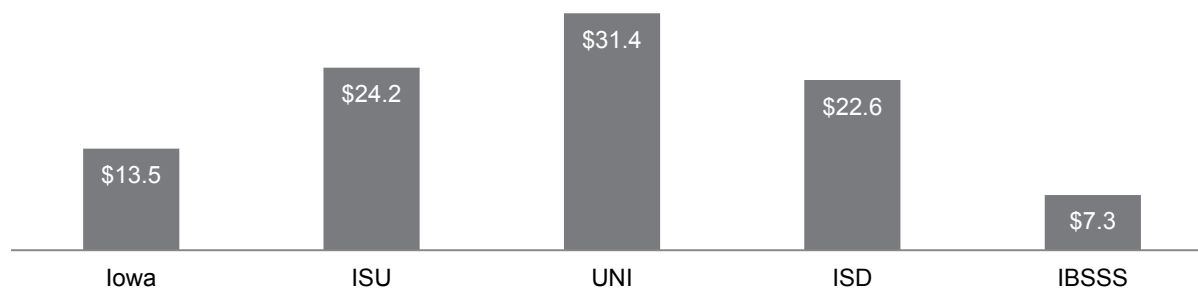


⁹ Special schools include the Iowa School for the Deaf (ISD) and the Iowa Braille and Sight Saving School (IBSSS).

¹⁰ Totals may not add due to rounding.

Maintenance projects and renovation projects that correct building deficiencies are funded from a number of sources. Unlike the other major agencies discussed, the Board receives a large share of its funding outside of the normal appropriations process. For General Fund buildings and utility buildings, 71.6% of funding since FY 1993 has been provided by building renewal and general university funds (25.8%), appropriations (17.5%), utility bonds (14.7%), and academic revenue bonds (13.6%). In total, the Board has corrected \$973.4 million in deficiencies in building renovation and deferred maintenance projects since FY 1993. The Board also places an emphasis on fire safety projects. These projects have received a total of \$83.1 million since FY 1993.¹¹

The Board publishes a report on estimated deferred maintenance each year in the fall. In 2016, the Board reported deferred maintenance for all Regents institutions at \$779.2 million. This has quickly risen since fall 2004. The rise is due to factors that include facility age, inflation related to construction costs, and a more thorough accounting of maintenance needs on Regents properties.¹² Continued building assessments at the universities each year will add to accumulated deferred maintenance backlogs. The information in **Chart 6** conveys gross square footage by institution and total deferred maintenance by institution. **Chart 6.1** displays deferred maintenance need per square foot.

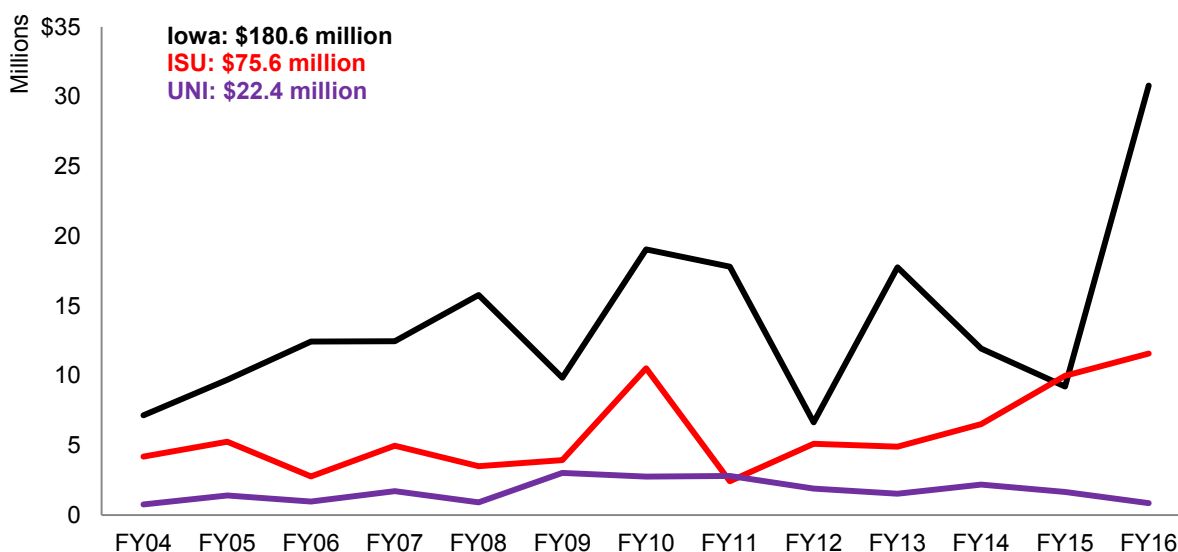
Chart 6**Gross Square Feet by Institution****Deferred Maintenance Costs by Institution****Chart 6.1 – Deferred Maintenance Costs per Gross Square Foot**

¹¹ Iowa Board of Regents, [Facilities Governance Report](#) (February 2017).

¹² Id.

The Facilities Governance Report stated a replacement value of Regents facilities at \$9.8 billion. Building repair expenditures in FY 2016 were 0.53% of this replacement value, and the FY 2017 budget was 0.47% of this replacement value.¹³ The Board also targets a benchmark for maintenance budgets of 1.0% of the replacement value of the building.¹⁴ In total, the Board reports that the universities and institutions spent \$43.7 million on projects that corrected deferred maintenance projects in FY 2016. By institution, Iowa spent \$30.8 million, ISU spent \$11.6 million, UNI spent \$856,700, and ISD spent \$425,800. **Chart 7** displays the total value of deferred maintenance projects corrected by institution from FY 2004 to FY 2016. A total of \$278.6 million was spent over this time.

Chart 7 – Deferred Maintenance Corrected by Institution FY 2004 – FY 2016



¹³ Id.

¹⁴ Id.

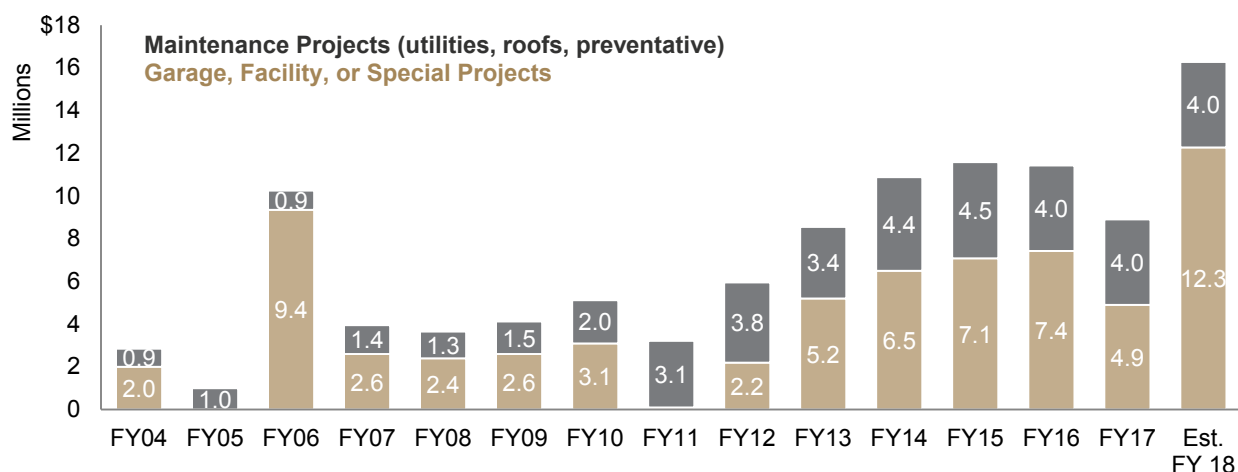
Department of Transportation

The Department of Transportation has a number of roles and maintains diverse facilities across the State to support its mission. In total, the DOT is responsible for all maintenance activities on 1,174 buildings, a total of 4.1 million square feet. These facilities include the main headquarters in Ames, road maintenance garages, storage buildings including salt storage buildings, rest areas, law enforcement scales, license stations, offices, land, and radio towers.

The DOT develops three-year plans for repairs and major improvements to its buildings. Projects are identified by individual districts in conjunction with Highway Division central maintenance and reported centrally to DOT Support Services. Support Services then determines what should be replaced or repaired, determines the priority of requested projects, and sets replacement and repair schedules based upon available funding.

The General Assembly appropriates the majority of funding used for DOT building improvements. Funds are appropriated from the Road Use Tax Fund and the Primary Road Fund. Annual appropriations include preventative maintenance, utility improvements, roofing projects, HVAC improvements, and specific line items for rest area maintenance and ADA improvements. In the past, the DOT has received funding for scale replacements and specific projects. In estimated FY 2018, the DOT received a total of \$4.0 million in seven appropriations to fund these activities. Each year the DOT also requests funding for at least one garage replacement or renovation, which is considered a capital project. The DOT has 102 maintenance garages. There are enough of these facilities that the DOT needs to regularly replace or improve maintenance garages to avoid a large backlog of repairs and problems.

Chart 8 – Appropriations to the DOT for Maintenance and Capital Projects



In FY 2017, the DOT expended \$2.5 million on routine maintenance and unplanned projects. This dollar amount is funded through administrative appropriations that also support the general operation of the Department including salaries, office equipment, vehicle operation, and other purposes. The Department has budgeted \$2.0 million in FY 2018 for routine maintenance.

As of fall 2017, the DOT does not have an estimate of total deferred maintenance. However, in September 2017, the Department began utilizing database software to track warranties, which are the life span of materials and costs. The Department believes that this will allow for better planning and budgeting when it comes to building assets. It is likely that this information will not be useful immediately, but as the Department records the status of more assets over time, this database should yield additional information regarding the Department's building infrastructure.

Department of Natural Resources

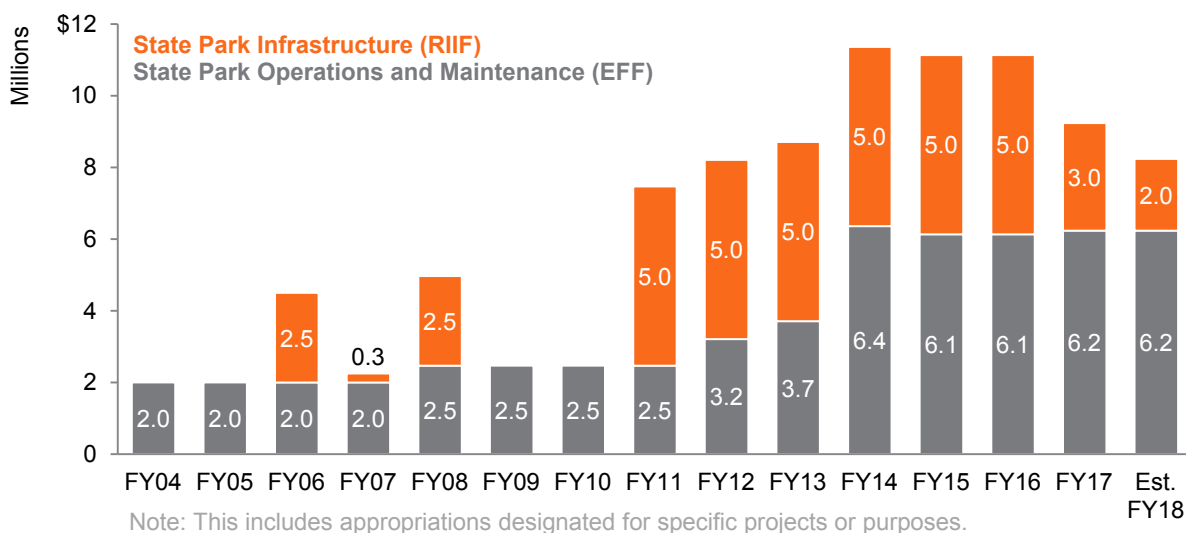
The DNR manages all maintenance on a wide variety of structures that support various activities, including State parks, wildlife management, fish stocking, law enforcement, and Honey Creek Resort. As a result, the infrastructure that the Department supports is varied and difficult to summarize. Examples of vertical infrastructure that the DNR supports include utilities, cabins, lodges and shelter houses, storage facilities, garages, historic buildings, restrooms, visitor centers, and residences. In total, the DNR tracks over 1,700 buildings totaling over 2.8 million square feet.

The DNR does not currently have an estimate of the deferred maintenance that might exist on all facilities. In 2015, the DNR estimated an infrastructure backlog on State park facilities that exceeded \$200.0 million. These projects included but were not limited to sewer lines, cabins, and campsites. This estimate specifically excluded trails.

In addition to general operation appropriations, the DNR typically receives two appropriations that support infrastructure improvements at State parks. The first appropriation is for State Parks Infrastructure from the RIIF. Since FY 2011, the DNR has received \$35.0 million for this purpose. State park infrastructure improvements include replacing sewer lines, upgrading public drinking water systems, replacing shower buildings, constructing restrooms, replacing trail bridges, extending trail areas, and providing open-air interpretive shelters and exhibits. The second appropriation is from the Environment First Fund (EFF) to support State Park Operations and Maintenance. This line item is appropriated in the annual Agriculture and Natural Resources Appropriations Act and supports seasonal staff, facility maintenance, equipment replacement, and filling critical staff vacancies.

The DNR reports that routine maintenance projects received \$575,000 in FY 2017. For FY 2018, the Department is budgeting \$300,000. This funding is provided by the land management portion of the Resource Enhancement and Protection (REAP) Program that also receives funding from the EFF. These funds may be spent on purposes not considered routine maintenance. In FY 2017, the DNR received a total of \$8.2 million that was eligible to be expended on maintenance activities in State parks.

Chart 9 – Appropriated Funds for State Park Maintenance



Department of Public Defense

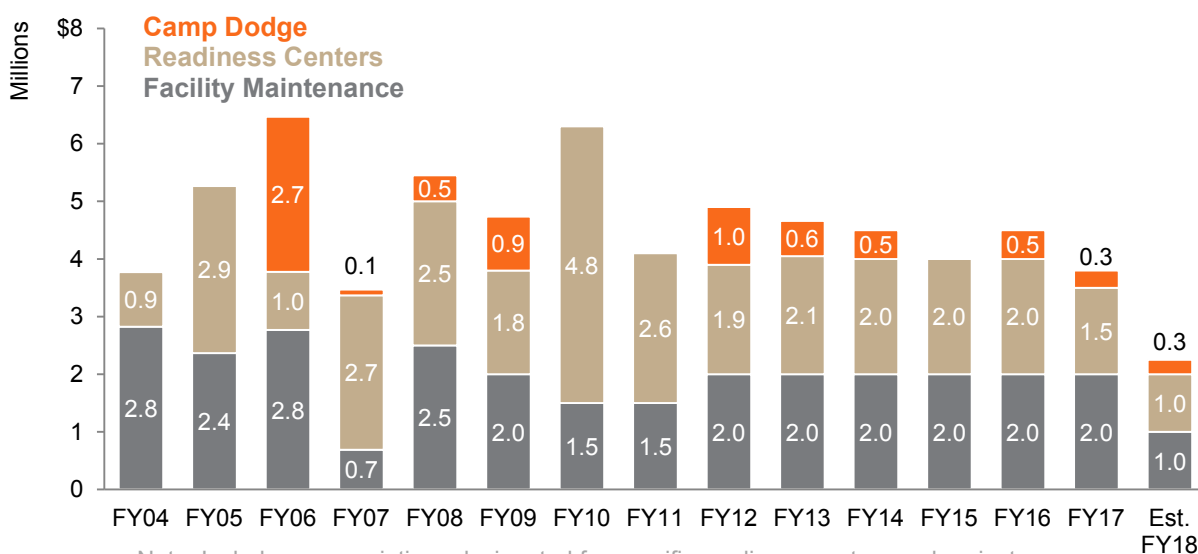
The DPD maintains over 485 buildings at 40 locations across the State. In total, the DPD maintains 4.1 million square feet in buildings and over 4,800 acres of land. Of this total, 3.1 million square feet and 451 buildings are owned exclusively by the State. The facilities include readiness centers, Camp Dodge, logistics buildings, training facilities, and lodging.

The DPD estimates a deferred maintenance backlog of approximately \$326.6 million statewide.¹⁵ Camp Dodge deferred maintenance comprises \$105.4 million of the total, with the remainder of the State facilities requiring \$222.2 million.¹⁶ This estimate is calculated based upon what it would take to bring facilities within 90.0% of maintenance standards. The initial number does not include the cost to modernize for mission capacity, which is primarily based on the facilities required for different types of military units and the mission of each unit. Bringing Iowa DPD facilities to mission capacity would require \$423.0 million.

Unlike other State agencies, the DPD receives substantial federal support for its facilities. Funding for all National Guard facilities is determined by the U.S. Congress with input from the Army. Generally, the Iowa National Guard receives around \$12.0 million annually from this process. The National Guard also receives federal funding that matches State appropriations. Without the State match, these federal dollars would be unavailable. In the past, matching funds required from the State have been between 25.0% and 50.0%.

The DPD also receives appropriations from the RIIF and General Fund. Maintenance and construction activities are supported primarily by the RIIF, with appropriated General Fund dollars providing a relatively small amount of the total (1.5%).¹⁷ In FY 2017, the DPD expended a total of \$8.6 million on routine maintenance. The RIIF provided \$1.1 million of the total and \$7.5 million was provided by federal sources.

Chart 10 – Appropriations from the RIIF for Construction and Maintenance



¹⁵ Totals may not add due to rounding.

¹⁶ Routine maintenance expenses reported by the DPD do not match appropriations. RIIF appropriations fund major maintenance and routine maintenance. Appropriations may be expended over four years, and are not restricted solely to routine maintenance.

¹⁷ Iowa Department of Public Defense, [2017 Department of Public Defense Infrastructure Report to the General Assembly](https://www.legis.iowa.gov/docs/publications/DF/852407.pdf) (January 2017), www.legis.iowa.gov/docs/publications/DF/852407.pdf.

Agencies that Manage Routine Maintenance

Department of Corrections

The DOC is responsible for routine maintenance on 39 total facilities that comprise nearly 6.0 million square feet. These buildings include the Community-Based Corrections Districts (CBC), penitentiaries, and correctional facilities. Currently, the DOC has \$90.9 million in outstanding major maintenance requests. This includes \$80.2 million for correctional facilities on the major maintenance list, and an additional \$10.8 million for the CBCs.¹⁸

The DOC develops a budget for routine maintenance based upon past expenditures and expected projects or needs. In FY 2017, the DOC expended \$4.0 million on routine maintenance on all DOC facilities. Of the total, \$3.0 million was expended on penitentiaries and correctional facilities and \$966,000 was expended on the CBCs. For FY 2018, the DOC has budgeted \$3.8 million. **Table 2** shows facilities where the DOC is responsible for conducting routine maintenance. It displays the number of buildings, building size, routine maintenance expenditures, FY 2018 budget, and major maintenance needs reported to the DAS as of July 2017.

Table 2 – Department of Corrections – Size, Routine and Major Maintenance

			FY 2017	FY 2018	FY 2018 Q1 Major
	Facilities	Square Feet	Routine Maint.	Budget	Maintenance Requests
CBC District 5	3	177,500	\$ 283,073	\$ 225,000	\$ 2,811,338
CBC District 1	6	147,865	380,734	261,000	1,357,250
CBC District 6	2	98,051	16,959	40,000	1,179,700
CBC District 7	2	82,831	10,496	9,000	4,776,000
CBC District 2	4	56,343	93,457	104,000	370,000
CBC District 3	2	51,850	132,316	157,747	100,000
CBC District 4	5	26,688	20,595	25,000	86,000
CBC District 8	2	22,075	28,850	24,000	106,855
CBC Totals	26	663,203	\$ 966,480	\$ 845,747	\$ 10,787,143
Iowa State Penitentiary	4	1,342,772	\$ 187,250	\$ 200,000	\$ 5,510,000
Clarinda Correctional Facility	1	931,150	220,560	140,000	19,599,050
Anamosa State Penitentiary	1	712,089	548,580	652,112	11,893,000
Mount Pleasant Correctional Facility	1	580,039	150,000	150,000	11,520,360
Iowa Medical Classification Center	1	490,182	438,643	529,403	12,363,829
Iowa Correctional Institution for Women	1	413,989	422,792	420,000	76,000
Newton Correctional Facility	2	345,084	368,182	311,726	10,495,500
Fort Dodge Correctional Facility	1	324,482	497,188	404,838	6,406,050
North Central Correctional Facility	1	187,525	161,152	140,555	2,294,000
Totals	13	5,327,312	\$ 2,994,347	\$ 2,948,634	\$ 80,157,789
Grand Totals	39	5,990,515	\$ 3,960,827	\$ 3,794,381	\$ 90,944,932

Source: Department of Corrections

¹⁸ Totals may not add due to rounding.

Department of Human Services

The DHS is responsible for routine maintenance on seven facilities that exceed 3.4 million square feet throughout the State. The DHS currently has \$43.1 million in requests for major maintenance repairs. Of that total, \$11.0 million is classified as damage, \$1.6 million is ADA repairs, \$9.7 million is scheduled maintenance, \$19.1 million is efficiency, and \$1.6 million is for demolition.¹⁹

The DHS develops a budget for maintenance based upon past expenditures and known information. The DHS will estimate inflation associated with these costs using the Consumer Price Index (CPI). **Table 3** shows each facility managed by the DHS, expenses on routine maintenance in FY 2017, the budget for routine maintenance for FY 2018, and major maintenance reported in the first quarter of FY 2018. In FY 2017, the DHS expended \$1.8 million on routine maintenance across all seven facilities.

**Table 3 – Department of Human Services Facilities
Size, Routine and Major Maintenance**

	<u>Square Feet</u>	<u>FY 2017 Routine Maint.</u>	<u>FY 2018 Budget</u>	<u>FY 2018 Q1 Major Maintenance Requests</u>
Glenwood Resource Center	1,050,348	\$ 739,520	\$ 976,784	\$ 7,750,054
Woodward Resource Center	851,497	860,488	860,488	1,464,000
Independence Mental Health Institute	616,139	65,060	55,057	5,422,500
Cherokee Mental Health Institute	377,751	33,542	32,000	13,033,197
State Training School	319,480	105,540	74,500	10,647,218
Iowa Juvenile Home Toledo	138,280	0	0	0
Civil Commitment Center for Sexual Offen.	108,650	7,609	5,000	4,735,715
Total	3,462,145	\$ 1,811,759	\$ 2,003,829	\$ 43,052,684

Source: Iowa Department of Human Services

¹⁹ Totals may not add due to rounding.

Smaller Facilities

Several other State agencies also manage maintenance on facilities outside the Capitol Complex. In total, these facilities encompass approximately 1.7 million square feet, with the Iowa Veterans Home representing the largest share of space. However, not all of these agencies receive major maintenance funding from the DAS. **Table 4** displays these agencies, facility size, FY 2017 routine maintenance expenditures, and requested major maintenance. **Table 4** also shows which agencies rely on the major maintenance appropriation to the DAS.

Agencies that receive major maintenance funding from the DAS support routine maintenance activities from their operating budgets, which, based on funding source, provide differing levels of support. For instance, the Department of Public Safety (DPS) is funded primarily with General Fund dollars. These dollars compete with other priorities, such as salaries.

Other agencies manage all maintenance that occurs on owned and occupied properties. The IPERS building is owned and operated by dollars from the IPERS Trust Fund. Whereas, the Lottery Authority funds maintenance activities from fees and revenues retained by the agency.

The budgets for these facilities are also developed differently. The DPS funds projects on an as-needed basis, the Iowa Veterans Home adjusts its budget based upon inflation, and IPERS funds maintenance based upon a prior building study.

Table 4 – Agency-Managed Routine Maintenance – Smaller Facilities

	<u>Buildings</u>	<u>Square Feet</u>	<u>FY 2017 Routine Maint.</u>	<u>FY 2018 Q1 Major Maintenance Projects</u>
DAS Managed Major Maint.				
Iowa Veterans Home	1	856,000	\$ 496,000	\$ 2,170,600
Dept. Public Safety	29	161,000	240,000	407,500
Alcoholic Bev Division	1	182,000	105,000	500,000 *
IPTV	27	92,521	543,332	110,000
Law Enforcement Academy	1	47,000	163,420	2,831,850
Manage all Maintenance				
Judicial Branch Building	1	125,000	480,000	-
Department for the Blind	1	119,000	75,832	50,000
IPERS	1	46,000	130,000	-
Lottery Authority	1	40,000	116,000	-
Iowa Finance Authority	1	31,000	150,000	-

*This project was reported to the LSA, and was not reported to the DAS as of August 2017.

BUDGET IMPLICATIONS

Funding routine and major maintenance activities remains a challenge across State government. In total, building space directly under State control exceeds 58.0 million square feet. Although this *Issue Review* discusses deferred maintenance estimates by agency, these figures likely do not compare directly to each other. The DAS and the Board of Regents both provide different definitions of maintenance that influence how and when maintenance backlogs are estimated. The DOT, DPD, and DNR also look at major maintenance differently. That said, the combined totals of the major maintenance list and Regents deferred maintenance exceed \$1.0 billion. This estimate excludes facilities operated by the DNR and DOT. **Table 5** displays requests by agencies that manage more than 1.0 million square feet, maintenance needs, and the maintenance needs per square foot. On a square-foot basis, the DPD has the largest maintenance needs of the reviewed facilities.²⁰ The estimate for the Capitol Complex, which includes the parking garage square footage, is the second highest with an estimated \$67.6 in major maintenance per square foot. Excluding parking garage space, maintenance costs are \$76.9 per square foot.

The reported figures in **Table 5** may also change as agencies assess the status of other buildings. The DOT expects to develop a more complete account of building assets, and the DOC and DHS maintenance requests may also increase if buildings undergo assessments similar to the one completed by the Baker Group for the Capitol Complex.

**Table 5 – Deferred Maintenance and Major Maintenance
Agencies with Facilities Exceeding 1.0 Million Square Feet**

Agency	Size	Deferred Maintenance/ Major Maintenance	Maintenance Per Square Foot
Department of Public Defense*	4,100,000	\$ 326,618,631	\$ 79.7
Capitol Complex	2,283,353	154,351,358	67.6
Board of Regents	39,774,380	779,214,100	19.6
Department of Corrections**	5,990,515	90,594,932	15.1
Department of Human Services	3,462,145	43,052,684	12.4
Department of Transportation	4,074,402	Unknown	Unknown
Department of Natural Resources	2,771,610	Unknown	Unknown

*The DPD square footage includes some property owned by the U.S. government. Iowa is partially responsible for the maintenance of this property. Iowa owns a total of 3.1 million square feet. Square footage numbers for the DPD are rounded.

**Includes Community-Based Corrections. These buildings are not owned by the State, but are included in the overall major maintenance needs provided by the DOC.

Agencies budget for and fund routine maintenance in different ways. **Table 6** reflects routine and deferred maintenance expenditures for State facilities. A number of State agencies not on the Capitol Complex will either base a maintenance target on recent history or expend maintenance resources on an as-needed basis. The DAS has increased utility fees for occupants of the Capitol Complex to address the routine needs of the facilities. At the same time, the Board of Regents has identified the replacement value of its facilities and budgeted 0.47% of the replacement value in FY 2017 for building maintenance.

²⁰ The federal government provides the majority of funding needed by the DPD for building and facility maintenance.

The funding source of routine maintenance is varied. For a number of agencies, building maintenance is funded from General Fund appropriations that also support administration. This includes agencies on the Capitol Complex (by way of utility fees paid to the DAS), the DOC, and the DHS. Other agencies that receive significant non-General Fund appropriations include the DOT, the DPD, and the DNR. The Board of Regents provides for building maintenance through operating budgets that are supported by a number of sources including tuition, capital appropriations, and other revenues.

Table 6 – FY 2017 Reported Routine and Preventative Maintenance

	Square Feet Managed	Maintenance Expense	Routine Maintenance
Board of Regents	39,774,380	\$43,656,200	\$ 0
Department of Corrections	5,990,515	0	3,960,827
Department of Transportation	4,074,402	4,000,000	0
Department of Public Defense	4,100,000	7,474,422	0
Department of Human Services	3,462,145	0	1,811,759
Department of Natural Resources	2,771,610	8,200,000	300,000
Capitol Complex	2,136,893	0	2,451,519
Iowa Veterans Home	856,000	0	496,000
Alcoholic Bev Division	182,000	0	105,000
Department of Public Safety	161,000	0	240,000
Judicial Branch	125,000	0	480,000
Department for the Blind	119,000	0	75,832
IPTV	92,521	0	543,332
Law Enforcement Academy	47,000	0	163,420
IPERS	46,000	0	130,000
Lottery Authority	40,000	0	116,000
Iowa Finance Authority	31,000	0	150,000

Notes: Maintenance expense for the Regents, DOT, DPD, and DNR may not match the definition of routine maintenance as provided by the DAS in all instances. Square footage for the DPD includes buildings owned by the U.S. government, and maintenance expenses include federal funding. Maintenance expense listed for the DNR and DOT displays eligible funding and not actual expenditures.

This **Issue Review** assesses the status of State facilities, but does not review the suitability of each facility for the mission it is serving. Evaluating the capability of each facility is a larger project that is outside the scope of this **Issue Review**. **Attachment A** provides information on different funding mechanisms, planning methods, and maintenance classifications for infrastructure in selected states.

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OTHER STATES

States have adopted a number of different funding mechanisms, planning methods, and maintenance classifications to build and maintain infrastructure. In 2014, the National Association of State Budget Officers published [Capital Budgeting in the States](#), a report that tracked capital budgeting practices. The report also endorsed a number of budgeting practices that were effective and efficient means to allocate capital expenses. The report reviewed practices used in each state. The report noted that 22 states are reported as maintaining a pay-as-you-go system for capital projects. States also rely on a number of different methods to fund state infrastructure. A sampling of states and designated revenues are listed below:

- **Missouri** transfers 1.0% of net general revenue collections based on the preceding fiscal year to the Facilities Maintenance Reserve Fund that is used for maintaining, repairing, and renovating state facilities.¹
- **Montana** uses 2.6% of cigarette tax revenue and up to 12.0% of coal severance tax revenue for infrastructure projects through the Long-Range Building Program to provide Capital construction and maintenance of state-owned facilities.²
- **Nebraska** uses cigarette tax revenue and designates 7.0 cents of the 64-cent tax to deposit in the Building Renewal Allocation Fund for deferred maintenance and repair of state buildings.³
- **Indiana** uses wagering tax revenue from riverboat casinos and pari-mutuel land-based casinos and lottery revenue for state and local capital projects through the Build Indiana Fund.⁴ The allocation is similar to Iowa's RIIF in that the Build Indiana Fund and receives only a portion of the wagering taxes after several allocations are made.
- **Kansas** uses gaming revenues, property tax revenue, and motor vehicle property tax revenue to fund its various building funds, such as the Educational Building Fund and the Correctional Institutions Building Fund.⁵

Many states use different types of bonds for infrastructure improvements. Nineteen states allow General Obligation (GO)⁶ bonds only after voter approval and 38 states place statutory or constitutional limits on GO bonds.⁷ In Iowa, the State Constitution limits GO bonds to \$250,000, effectively eliminating GO bonds from consideration for projects.⁸

Revenue bonds are more widely used by state governments, including Iowa. According to a 1999 report by the National Association of State Budget Officers, 38 states indicated the use of revenue bonds in their capital budget processes.⁹ From the RIIF, Iowa is currently making annual debt payments of \$67.0 million on \$690.4 million in outstanding revenue bonds. In 2016, the Iowa Executive Council approved the refinancing of \$265.0 million in revenue bonds at an interest rate of 1.7%, a rate decrease of around 2.0% that is expected to reduce debt payments by \$3.0 million per year.

¹ Missouri Constitution, Article IV, Section 27(b).

² Montana Code Annotated, Title 17, Chapter 7, Sections 201 through 213 (2015). Coal severance taxes may be used for debt service payments on building projects if bonds have been issued for projects in the Program.

³ Nebraska Revised Statutes, Sections 77-2602 and 81-179, 2007.

⁴ Indiana Code, Sections 4-31-9-3, 4-33-13-4, and 4-30-17-2 through 4-30-17-13.

⁵ Kansas Statutes Annotated, Sections 76-6b01, 76-6b02, 76-6b04, 79-4803, and 79-5109

⁶ General obligation (GO) bonds are secured by a state or local government pledge to pay the debt service from taxes and other resources available, therefore, they are backed by the government entity's pledge of full faith and credit and taxing power. The State of Iowa does not have any outstanding GO bonds.

⁷ National Association of State Budget Officers, [Capital Budgeting in the States](#), 2014.

⁸ Iowa Const. art. VII, section 2.

⁹ National Association of State Budget Officers, [Capital Budgeting in the States](#), 2014.

FISCAL TOPICS

Fiscal Services Division

September 20, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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Technology Reinvestment Fund

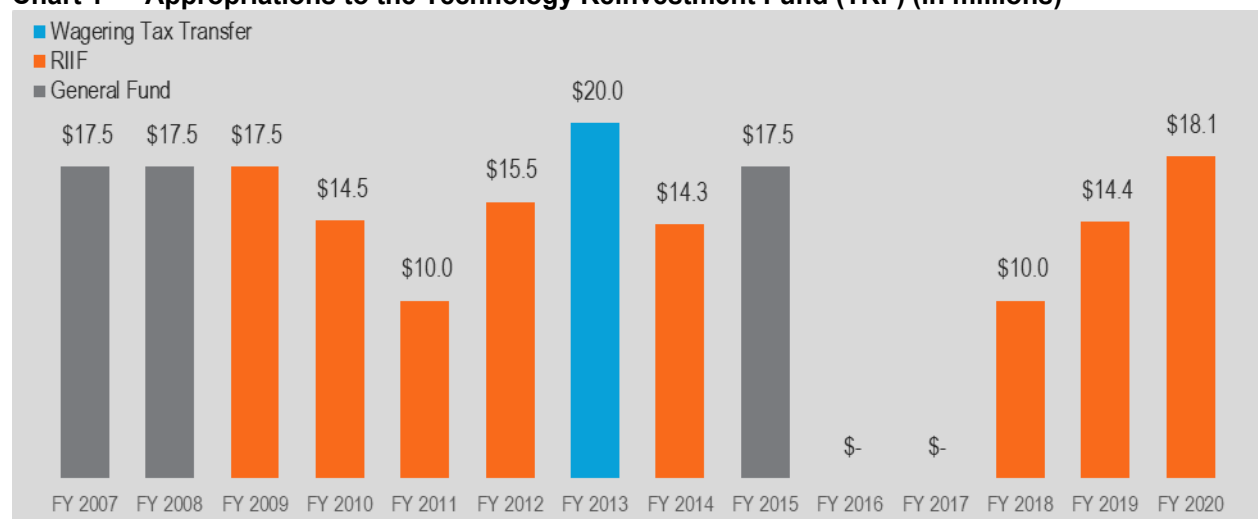
Iowa Code section [8.57C](#) establishes the Technology Reinvestment Fund (TRF) for the purposes of acquiring computer hardware and software, software development, acquiring telecommunications equipment, maintenance, lease agreements associated with technology components, and the purchase of equipment intended to provide an uninterruptible power supply. The TRF was created in 2006 Iowa Acts, chapter [1179](#) (FY 2007 Infrastructure and Capital Projects Appropriations Act), under the direction of the Department of Management.

Funding

Iowa Code section [8.57C](#) provides a standing appropriation of \$17.5 million from the General Fund to the TRF. Unlike most funds, the TRF does not receive taxes or fees directly. This means that if the General Assembly elects to suspend the standing appropriation, the TRF will receive no new funding without legislative action. In FY 2016 and FY 2017, the TRF did not receive funding from any source. During these years, the technology projects typically funded from the TRF were instead funded from the Rebuild Iowa Infrastructure Fund (RIIF).

Since FY 2009, the General Assembly has appropriated funding to the TRF exclusively from non-General Fund sources. However, in FY 2015 the Governor vetoed a provision that suspended the General Fund appropriation. This veto meant that the TRF received the General Fund standing appropriation of \$17.5 million in FY 2015. In total, the TRF has received \$186.8 million since its inception. Of the total, 28.1% was from the General Fund and 71.9% was provided from other sources. The chart below displays funding provided to the TRF by year.

Chart 1 — Appropriations to the Technology Reinvestment Fund (TRF) (in millions)



More Information

Iowa Legislature: www.legis.iowa.gov

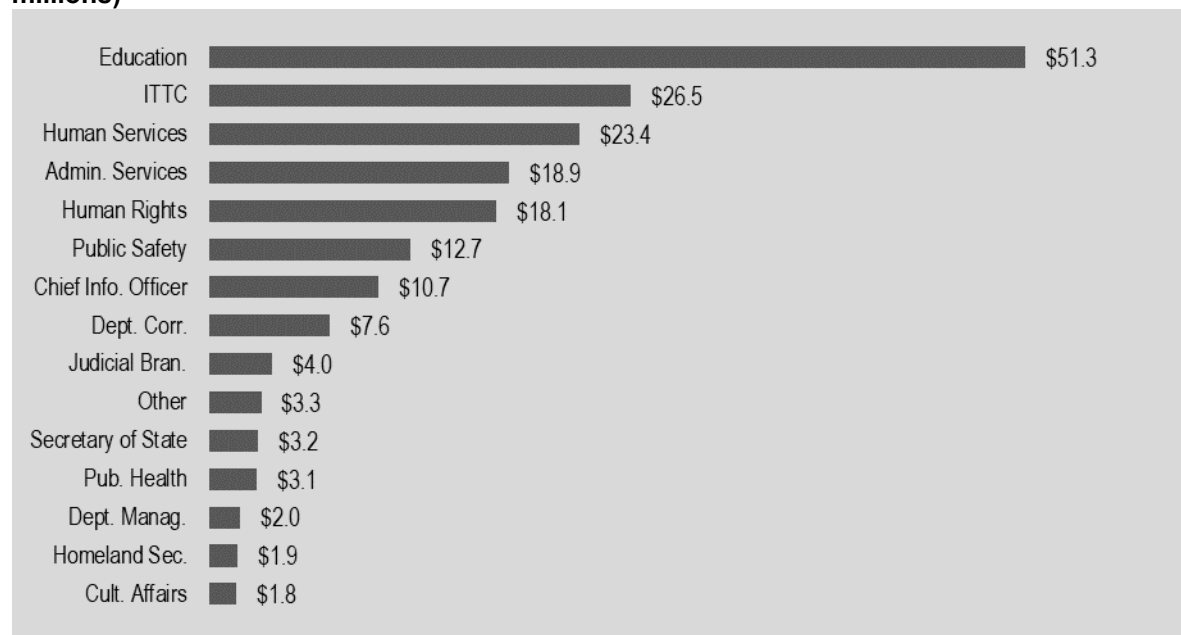
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Chart 1 shows that no funding was appropriated in FY 2016 and FY 2017 to the TRF. For both of these years, technology projects were funded directly from the RIIF. The General Assembly appropriated \$10.5 million from the RIIF for technology projects in FY 2016 and \$8.7 million for technology projects in FY 2017.

Appropriations

Since 2007, the General Assembly has appropriated funding from the TRF to State agencies for programs and projects 13 times. Generally, appropriations from the TRF match the funding appropriated to the TRF (**Chart 1**), but in some years unexpended funds brought forward from the prior year mean the General Assembly may have resources in addition to the appropriated funds. Appropriations by department are shown in **Chart 2**. The top two recipients are the Department of Education (27.3%) and the Iowa Communications Network (ICN) (14.1%).

Chart 2 — Appropriations from the TRF to State Agencies — FY 2007 to Estimated FY 2020 (in millions)



Projects and acquisitions funded by the TRF are typically completed within a fiscal year and do not require ongoing annual appropriations. However, several departments have received ongoing appropriations for technology systems and projects. These projects, listed below, received a total of \$5.2 million (28.7% of TRF appropriations) in FY 2019, and have received between 28.7% and 56.8% of available TRF resources.

Table 1 — Technology Projects and Programs that Received Ongoing Appropriations

Department	Appropriation Name
Department of Education	ICN Part III Leases
	Statewide Education Data Warehouse
Department of Homeland Security Emerg. Man.	Alert Iowa Statewide Messaging System
Department of Human Rights	Criminal Justice Information System
	Justice Data Warehouse
Department of Management	Iowa Grants Management
	Searchable Online Database
Iowa Communications Network	Equipment Replacement (Ended in FY 2015)

Other projects have required multiyear appropriations but for a limited term. These projects may obligate funding for a number of years before completion. Multiyear projects that are ongoing in FY 2020 are displayed in **Table 2**.

Table 2 — Limited-Term Technology Appropriations (over multiple fiscal years)

Local Government Budget and Prop. Tax System (FY 2018 enacted in 2017, FY 2019 enacted in 2018, FY 2020 enacted in 2019.)	FY 2018:	\$600,000
	FY 2019:	\$600,000
	FY 2020:	\$120,000
	Total:	\$1,320,000
Medicaid Technology (FY 2018 enacted in 2017, other years enacted in 2018)	FY 2018:	\$1,000,000
	FY 2019:	\$636,000
	FY 2020:	\$1,228,535
	FY 2021:	\$1,979,319
	FY 2022:	\$1,625,363
	FY 2023:	\$1,416,680
	FY 2024:	\$1,578,280
Voter Registration System (Enacted in 2018)	FY 2025:	\$1,335,178
	Total:	\$10,799,355
	FY 2019:	\$1,050,000
	FY 2020:	\$2,100,000
	FY 2021:	\$1,400,000
	FY 2022:	\$1,400,000
	FY 2023:	\$1,400,000
	Total:	\$7,350,000

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FISCAL TOPICS

Fiscal Services Division

September 20, 2019



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Vertical Infrastructure Requirement Exemptions

The Rebuild Iowa Infrastructure Fund (RIIF) was created during the 1995 Legislative Session for the purpose of funding public infrastructure projects. The following year, the General Assembly required that all appropriations from the RIIF comply with the definition of vertical infrastructure established in Iowa Code section [8.57\(5\)\(c\)](#). Fiscal Year 1998 was the first year the requirement was in effect. Currently, the definition of “vertical infrastructure” includes:

- | | |
|---|---|
| <ul style="list-style-type: none">• Land acquisition and construction,• Major renovation and major repair of buildings,• Routine, recurring maintenance,• All appurtenant structures,• Utilities, | <ul style="list-style-type: none">• Site development,• Recreational trails,• The Renewable Fuels Infrastructure Program, and• Debt service payments on academic revenue bonds issued in accordance with Iowa Code chapter 262A for capital projects of the Board of Regents. |
|---|---|

Over the years the definition of vertical infrastructure has been amended several times. The following amendments to the definition have been adopted:

- The 2008 Infrastructure Appropriations Act removed funding for the completion of Part III of the Iowa Communications Network from the definition. (2008 Iowa Acts, chapter [1179](#))
- The 2011 Infrastructure Appropriations Act amended the definition to include debt services payments on academic revenue bonds for Board of Regents capital projects. (2011 Iowa Acts, chapter [133](#))
- The 2014 Infrastructure Appropriations Act amended the definition to include routine maintenance. Previously, the Iowa Code had explicitly excluded routine maintenance from the definition of vertical infrastructure. (2014 Iowa Acts, chapter [1136](#))
- The 2017 Infrastructure Appropriations Act amended the definition to include the Renewable Fuels Infrastructure Program. (2017 Iowa Acts, chapter [173](#))

Legislation that makes appropriations that do not comply with the definition of vertical infrastructure will include language that exempts the appropriation from the statutory definition. **Appendix A** shows total funding amounts that received an exemption from the definition of vertical infrastructure.

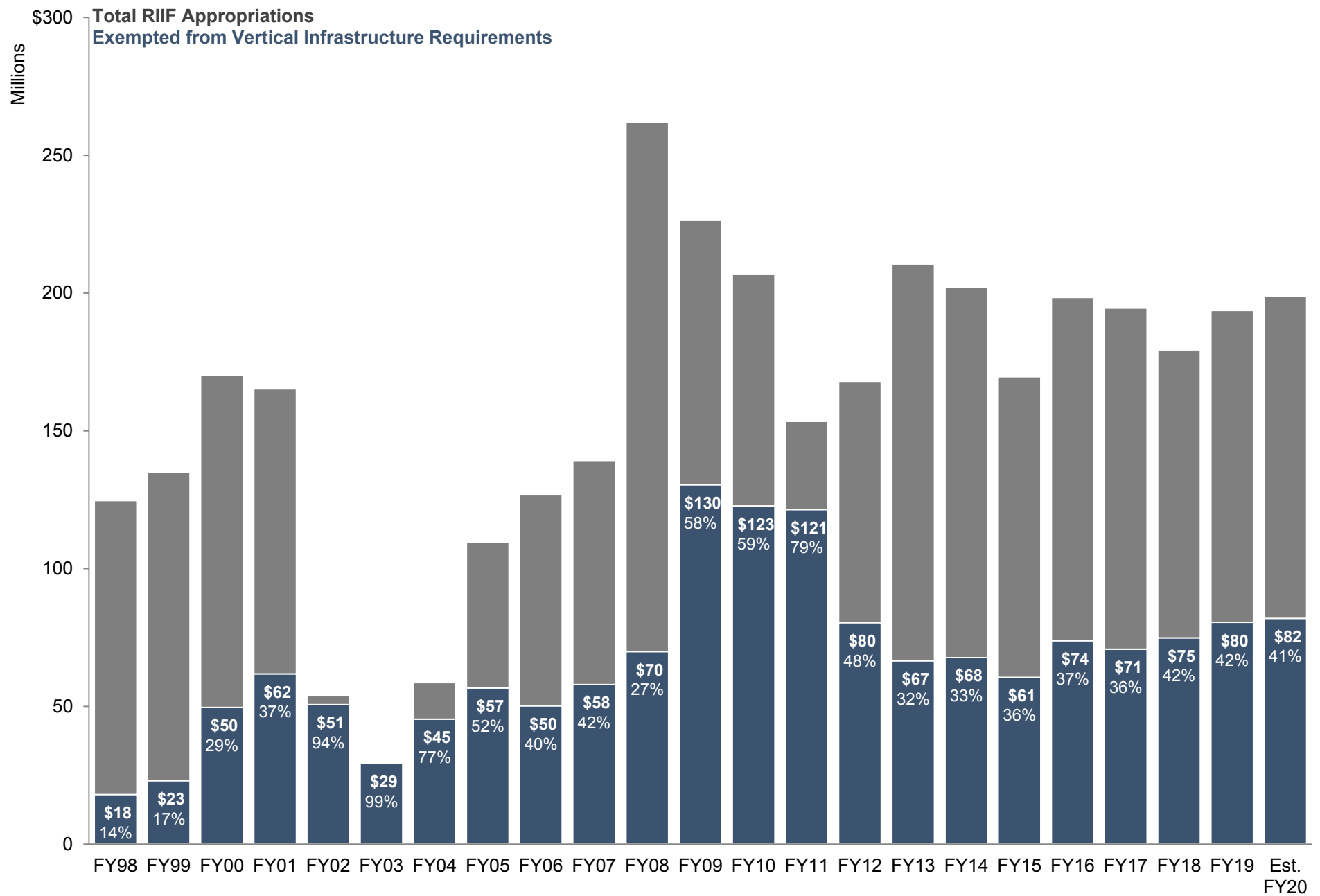
Since the definition has been in place, the percentage of appropriations that have not met the definition of vertical infrastructure has ranged from 14.5% to 98.9%, with an average of 46.6%. In 12 of the 20 years reviewed, the amount exempted was between 30.0% and 61.0%. Notably, the percentage of appropriated dollars exempted has ranged between 36.4% and 41.7% in the four most recent fiscal years.

Appropriations that were exempted from the definition of vertical infrastructure from FY 2014 to FY 2020 are included in **Appendix B**. In recent years, major exempted appropriations have included the Environment First Fund, Lake Restoration, the Technology Reinvestment Fund, and the Water Quality Initiative. These four line items account for over 93.0% of the total dollars that received an exemption from the definition of vertical infrastructure in FY 2020.

More Information

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Appendix A – Rebuild Iowa Infrastructure Fund



Appendix B – Appropriations Exempted from Vertical Infrastructure Requirements

		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Grand Total
Agriculture and Land Stewardship	Ag Drainage Wells			\$1,920,000	\$1,920,000	\$1,875,000	\$1,875,000		\$7,590,000
	Water Quality Initiative			\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000	\$26,000,000
	Total			\$7,120,000	\$7,120,000	\$7,075,000	\$7,075,000	\$5,200,000	\$33,590,000
Corrections	Construction Project Management	\$200,000							\$200,000
	Total	\$200,000							\$200,000
Cultural Affairs	Grout Museum - Korean War Project				\$250,000	\$250,000			\$500,000
	Planning and Study Historical Bldg	\$1,000,000							\$1,000,000
	Total	\$1,000,000			\$250,000	\$250,000			\$1,500,000
Economic Development	Junior Olympics						\$250,000		\$250,000
	Regional Sport Authority Districts	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$3,500,000
	World Food Prize/Ruan Borlaug Scholar	\$100,000	\$200,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,800,000
	Total	\$600,000	\$700,000	\$800,000	\$800,000	\$800,000	\$1,050,000	\$800,000	\$5,550,000
Education	ICN Part III & Maintenance & Leases			\$2,727,000	\$2,727,000				\$5,454,000
	IPTV Equipment Replacement			\$1,256,200	\$1,017,000				\$2,273,200
	Statewide Education Data Warehouse			\$600,000	\$363,839				\$963,839
	Total			\$4,583,200	\$4,107,839				\$8,691,039
Homeland Security	Mass Notification & Emergency Messaging System			\$400,000	\$400,000				\$800,000
	Total			\$400,000	\$400,000				\$800,000
Human Rights	Criminal Justice Info System Integration (CJIS)			\$1,300,000	\$1,345,000				\$2,645,000
	Justice Data Warehouse			\$159,474	\$117,980				\$277,454
	Total			\$1,459,474	\$1,462,980				\$2,922,454
Judicial Branch	County Courthouse Equipment and Furniture							\$193,620	\$193,620
	Polk County Justice Center Furn. And Equip.						\$1,464,705		\$1,464,705
	Total						\$1,464,705	\$193,620	\$1,658,325
Management	Electronic Grants Management System			\$50,000	\$50,000				\$100,000
	Environment First Fund	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$294,000,000
	Searchable Online Budget and Tax Database			\$45,000	\$45,000				\$90,000
	Technology Reinvestment Fund	\$14,310,000				\$10,000,000	\$14,400,000	\$18,069,975	\$56,779,975
	Total	\$56,310,000	\$42,000,000	\$42,095,000	\$42,095,000	\$52,000,000	\$56,400,000	\$60,069,975	\$350,969,975
Natural Resources	Iowa Parks Foundation		\$2,000,000						\$2,000,000
	Lake Restoration and Dredging	\$8,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$66,200,000
	Water Trails and Low Head Dam Repairs	\$1,000,000	\$2,000,000	\$1,750,000	\$1,000,000		\$500,000	\$500,000	\$6,750,000
	Total	\$9,600,000	\$13,600,000	\$11,350,000	\$10,600,000	\$9,600,000	\$10,100,000	\$10,100,000	\$74,950,000
Office of the Chief Information Officer	Broadband Improvements						\$1,300,000		\$1,300,000
	Total						\$1,300,000		\$1,300,000
Public Defense	Gold Star Museum		\$250,000		\$250,000				\$500,000
	Total		\$250,000		\$250,000				\$500,000
Public Health	M&CH Database Integration			\$500,000	\$500,000				\$1,000,000
	Statewide Safety Net Pharmacy				\$75,000				\$75,000
	Total			\$500,000	\$575,000				\$1,075,000
Public Safety	DNA Data Marker				\$150,000				\$150,000
	Explosive Trace Detectors							\$29,000	\$29,000
	Fire Training Mobile Units			\$100,000					\$100,000
	Lab Liquid Chromatograph							\$325,000	\$325,000
	Network Contract					\$4,143,687	\$1,351,666	\$3,719,355	\$9,214,708
	Tasers						\$740,000		\$740,000
	Total			\$100,000	\$150,000	\$4,143,687	\$2,091,666	\$4,073,355	\$10,558,708
Regents	IPR - Radio Transmitter			\$100,000					\$100,000

Appendix B – Appropriations Exempted from Vertical Infrastructure Requirements

		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Grand Total
Regents	ISU - Vet Lab Cancer Equipment			\$330,000					\$330,000
	Total			\$430,000					\$430,000
Secretary of State	Voter Reg Data Processing			\$234,000					\$234,000
	Voter Registration System Update			\$450,000	\$300,000				\$750,000
	Total			\$684,000	\$300,000				\$984,000
State Fair	State Historical Building Relocation – Study							\$500,000	\$500,000
	Total							\$500,000	\$500,000
Telecom and Tech Comm	ICN Equipment Replacement			\$2,248,653	\$1,150,000				\$3,398,653
	Total			\$2,248,653	\$1,150,000				\$3,398,653
Transportation	Railroad Revolving Loan & Grant Fund		\$4,000,000	\$2,000,000	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$10,500,000
	Total		\$4,000,000	\$2,000,000	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$10,500,000
Treasurer	Iowa ABLE Savings Plan Trust			\$50,000					\$50,000
	Total			\$50,000					\$50,000
Grand Total		\$67,710,000	\$60,550,000	\$73,820,327	\$70,760,819	\$74,868,687	\$80,481,371	\$81,936,950	\$510,128,154